

Contract Summary Sheet

Contract (PO) Number: 11476

Specification Number: 45026

Name of Contractor: UNITED PARCEL SVC INC OHIO COR

City Department: PLANNING & DEVELOPMENT

Title of Contract: Acquisition: 14th/Union

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):

\$6,933,800.00

PO Start Date: 10/8/2004

PO End Date: 12/31/2021

Brief Description of Work: Acquisition: 14th/Union

Procurement Services Contact Person: THOMAS DZIEDZIC

Vendor Number: 50076631

Submission Date: MAR 13 2006

Counsel, to enter into, execute and deliver any such documents, agreements and instruments, and perform any and all acts on behalf of the City as shall be necessary or advisable in connection with the implementation of the Restructuring. The Commissioner is hereby authorized, subject to approval of the Corporation Counsel, to negotiate any and all terms and provisions of such agreements and instruments in connection with the Restructuring which do not substantially modify the terms described above.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 4. This ordinance shall be effective as of the date of its passage.

DESIGNATION OF UNITED PARCEL SERVICE, INC. AS
PROJECT DEVELOPER, AUTHORIZATION FOR EXECUTION
OF REDEVELOPMENT AGREEMENT AND ISSUANCE OF
CITY NOTE FOR CONSTRUCTION OF DISTRIBUTION
FACILITY WITHIN EXPANDED ROOSEVELT/
CANAL REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, September 29, 2004.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing entering into and executing a redevelopment agreement and the issuance of a City of Chicago tax increment allocation revenue note for the benefit of United Parcel Service, Inc., amount of note not to exceed \$6,933,900, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Flores, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Stroger, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, Brookins, Muñoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Reboyras, Suarez, Matlak, Mell, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on March 19, 1997 and published at pages 40878 through 40939 of the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of such date, a certain redevelopment plan and project (the "Redevelopment Plan") for the Roosevelt/Canal Redevelopment Project Area (the "Redevelopment Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the Act); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on March 19, 1997 and published at pages 40940 through 40945 of the *Journal* of such date, the Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on March 19, 1997 and published at pages 40946 through 40950 of the

Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Redevelopment Plan; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on July 19, 2000 and published in the *Journal* at pages 37809 to 37911 of such date, the Redevelopment Plan was amended (the "Amended Redevelopment Plan") and the Redevelopment Area was expanded (the "Expanded Redevelopment Area") pursuant to the Act; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on July 19, 2000, and published at pages 37910 to 37920 of the *Journal* of such date, the Expanded Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "Amended T.I.F. Ordinance") adopted by the City Council on July 19, 2000 and published at pages 37921 to 37928 of the *Journal* of such date, tax increment allocation financing was adopted pursuant to the Act for the Expanded Redevelopment Area as a means of financing certain Expanded Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Amended Redevelopment Plan; and

WHEREAS, United Parcel Service, Inc., an Ohio corporation ("Developer") presently owns property located in the Expanded Redevelopment Area, and proposes the assemblage, demolition and redevelopment of the following property parcels each located within the Expanded Redevelopment Area: (i) three (3) privately-owned parcels; (ii) a parcel owned by the City and which is controlled by the State of Illinois beneath an elevated portion of the Dan Ryan Expressway which will be leased by Developer; and (iii) two (2) street vacations (collectively, the Developer-owned property and the property to be assembled by acquisition or lease by Developer are defined as the "Property"); and plans to redevelop the Property to create a unified distribution facility campus (the "Campus") at its site located east of the Dan Ryan Expressway, with such redevelopment work being collectively defined as the "Project"); and

WHEREAS, The Developer has proposed to undertake the Project in accordance with the Amended Redevelopment Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Developer and the City, to be financed in part by the issuance of a note (as defined below); and

WHEREAS, Pursuant to Resolution 04-CDC-53 adopted by the Community Development Commission of the City of Chicago (the "Commission") on

July 13, 2004, the Commission recommended that the Developer be designated as the developer for the Project and authorized the City's Department of Planning and Development ("D.P.D.") to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; and

WHEREAS, In consideration of redevelopment project costs for the Project incurred or to be incurred by or on behalf of the Developer, the City agrees to issue, and the Developer agrees to acquire, according to certain terms and conditions, the note (as defined below) as a tax increment revenue obligation; and

WHEREAS, The City will receive no cash proceeds in exchange for the note (as defined below) to be issued pursuant to this ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Developer is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 3. The Commissioner of D.P.D. (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between the Developer and the City in substantially the form attached hereto as Exhibit A and made a part hereof (the "U.P.S. Redevelopment Agreement"), and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the U.P.S. Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the U.P.S. Redevelopment Agreement and supporting documents.

SECTION 4. The City Council hereby finds that the City is authorized to issue its tax increment allocation revenue obligation in an aggregate amount not to exceed Six Million Nine Hundred Thirty-three Thousand Eight Hundred Dollars (\$6,933,800) for the purpose of paying a portion of the eligible costs included within the Project.

SECTION 5. There shall be borrowed for and on behalf of the City an aggregate principal amount not to exceed Six Million Nine Hundred Thirty-three Thousand Eight Hundred Dollars (\$6,933,800) for the payment of a portion of the eligible costs included within the Project and the note of the City shall be issued up to said amount and shall be designated: "Tax Increment Allocation Revenue Note (United

Parcel Service, Inc., an Ohio corporation, Redevelopment Project), Taxable Series A" Registered Note Number R-1 ("Note"). The Note shall be dated the date of delivery thereof and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein.

The Note shall bear interest at a market rate of interest as calculated in the U.P.S. Redevelopment Agreement, to be fixed when the Note issues, but not to exceed eight and zero-tenths percent (8.0%) per annum computed on the basis of a three hundred sixty (360) day year of twelve (12), thirty (30) day months.

The principal of and interest on the Note shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the person in whose name the Note is registered at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment date; provided that the final installment of the principal and accrued but unpaid interest of the Note shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City.

The seal of the City shall be affixed to or a facsimile thereof printed on the Note, and the Note shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Note shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for the Note, and showing the date of authentication. The Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual signature, and such certificate of authentication upon the Note shall be conclusive evidence that the Note has been authenticated and delivered under this ordinance.

SECTION 6. The City shall cause books (the "Register") for the registration of the Note (to the extent such transfer is permitted under the U.P.S. Redevelopment Agreement) as provided in this ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the Registrar of the City for the Note. The Registrar shall maintain a list of the names and addresses of the

registered owner of the Note. The City is authorized to prepare, and the Registrar shall keep custody of, multiple Note blanks executed by the City for use in the transfer of the Note.

Upon surrender for transfer of the Note at the principal office of the Registrar, duly endorsed by, or accompanied by: (i) a written instrument or instruments of transfer in form satisfactory to the Registrar; (ii) an investment representation in form satisfactory to the City and duly executed by, the registered owner or his attorney duly authorized in writing, and (iii) the written consent of the City evidenced by the signature of the Commissioner (or his or her designee) on the instrument of transfer, the City shall execute and the Registrar shall authenticate, date and deliver in the name of the transferee or transferees, a new fully registered Note of the same maturity, of authorized denomination, for a like aggregate principal amount. The execution by the City of the fully registered Note shall constitute full and due authorization of the Note and the Registrar shall thereby be authorized to authenticate, date and deliver the Note, provided, however, that the principal amount of the Note authenticated by the Registrar shall not exceed the authorized principal amount of the Note less previous retirements. The Registrar shall not be required to transfer or exchange the Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of the Note nor to transfer or exchange the Note after notice calling the Note for redemption has been made, nor during a period of five (5) days next preceding mailing of a notice for redemption of principal of the Note. No beneficial interests in the Note shall be assigned, except in accordance with the procedures for transferring the Note described above.

The person or entity in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the Note shall be made only to the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of the Note, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the Note.

SECTION 7. The Note shall be prepared in substantially the form attached hereto as Exhibit B.

SECTION 8. Pursuant to the U.P.S. Redevelopment Agreement, the Developer has agreed to perform construction and redevelopment work on the Property

necessary for the Project. The eligible costs of such construction and redevelopment up to the amount not to exceed Six Million Nine Hundred Thirty-three Thousand Eight Hundred Dollars (\$6,933,800) shall be deemed to be a disbursement of the proceeds of the Note, and the outstanding principal amount of the Note shall be increased by the amount of such advance. The principal amount outstanding of the Note shall be the amount of principal indicated in such Note on its date of issuance, or the sum of advances made pursuant to a form of certificate of expenditure (the "Certificate of Expenditure") executed by the Commissioner (or his or her designee) and authenticated by the Registrar, in accordance with the U.P.S. Redevelopment Agreement, minus any principal amount paid on such Note and other reductions in principal as provided in the U.P.S. Redevelopment Agreement. A Certificate of Expenditure shall not be valid or obligatory under this Ordinance unless or until authenticated by the Registrar by manual signature. The City shall not execute Certificates of Expenditure that total in excess of Six Million Nine Hundred Thirty-three Thousand Eight Hundred Dollars (\$6,933,800). Upon execution of a Certificate of Expenditure, the Registrar shall promptly send the Certificate of Expenditure to the Registered Owner and retain a copy with the Register. The Certificates of Expenditure for the Note shall be in substantially the form attached hereto as Exhibit C.

SECTION 9. The principal of the Note shall be subject to prepayment and redemption at any time, without penalty, as provided in the form of Note attached hereto. As directed by the Commissioner, the Registrar shall proceed with redemptions without further notice or direction from the City.

SECTION 10. The Registrar shall note on the payment schedule attached to the Note the amount of any payment of principal or interest on the Note, including the amount of any redemption, and the amount of any reduction in principal pursuant to the U.P.S. Redevelopment Agreement.

SECTION 11. The Note hereby authorized shall be executed and delivered to the Developer as provided in the U.P.S. Redevelopment Agreement.

SECTION 12. (a) Special Tax Allocation Fund. Pursuant to the Amended T.I.F. Ordinance, the City has created a special fund, designated as the Roosevelt/Canal Redevelopment Project Area Special Tax Allocation Fund (the "Roosevelt/Canal T.I.F. Fund").

The Comptroller of the City is hereby directed to maintain the Roosevelt/Canal T.I.F. Fund as a segregated, interest-bearing account, separate and apart from the General Fund or any other fund of the City, with a bank which is insured by the Federal Deposit Insurance Corporation or its successor. Pursuant to the Amended

T.I.F. Ordinance, all incremental ad valorem taxes received by the City for the Expanded Redevelopment Area are to be deposited into the Roosevelt/Canal T.I.F. Fund.

(b) U.P.S. Developer Account. There is hereby created within the Roosevelt/Canal T.I.F. Fund a special account to be known as the "United Parcel Service, Inc., an Ohio corporation, Developer Account". The City shall promptly designate and deposit into the United Parcel Service, Inc., an Ohio corporation, Developer Account the incremental taxes defined as the "Available Incremental Taxes" in the U.P.S. Redevelopment Agreement which have been deposited into the Roosevelt/Canal T.I.F. Fund after the execution and delivery of the U.P.S. Redevelopment Agreement.

(c) Pledge Of U.P.S. Developer Account. The City hereby assigns, pledges and dedicates the United Parcel Service, Inc., an Ohio corporation, Developer Account, together with all amounts on deposit in the United Parcel Service, Inc., an Ohio corporation, Developer Account to the payment of the Note, subject to the provisions and limitations of the U.P.S. Redevelopment Agreement. Any monies on deposit in the United Parcel Service, Inc., an Ohio corporation, Developer Account that are forfeited pursuant to the terms of the U.P.S. Redevelopment Agreement shall be transferred and deposited in the Roosevelt/Canal T.I.F. Fund. Upon deposit, the monies on deposit in the United Parcel Service, Inc., an Ohio corporation, Developer Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Roosevelt/Canal T.I.F. Fund. All monies on deposit in the United Parcel Service, Inc., an Ohio corporation, Developer Account shall be used to pay the principal of and interest on the Note, at maturity or upon payment or redemption prior to maturity, each in accordance with its terms, which payments from the United Parcel Service, Inc., an Ohio corporation, Developer Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the Note in accordance with its respective terms, the amounts on deposit in the United Parcel Service, Inc., an Ohio corporation, Developer Account shall be deposited in the Roosevelt/Canal T.I.F. Fund of the City and the United Parcel Service, Inc., an Ohio corporation, Developer Account shall be closed.

SECTION 13. The Note is a special limited obligation of the City, and is payable solely from amounts on deposit in the United Parcel Service, Inc., an Ohio corporation, Developer Account (or such other funds in the Roosevelt/Canal T.I.F. Fund as the City, in its sole discretion, may determine), and shall be a valid claim of the registered owners thereof only against said sources. The Note shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision.

The registered owner of the Note shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the Note.

SECTION 14. Monies on deposit in the United Parcel Service, Inc., an Ohio corporation, Developer Account may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago. Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the Note.

SECTION 15. The provisions of this ordinance shall constitute a contract between the City and the registered owner(s) of the Note. All covenants relating to the Note are enforceable by the registered owner(s) of the Note.

SECTION 16. The Mayor, the Comptroller, the City Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 17. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 18. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instrument authorized by this ordinance or to impair the security for or payment of the instrument authorized by this ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

SECTION 19. This ordinance shall be in full force and effect immediately upon its passage

Exhibits "A", "B" and "C" referred to in this ordinance read as follows:

LAW DEPT
Set #1

Signed Original

UPS RDA R-4 wpd 10/01/04

**ROOSEVELT/CANAL AND JEFFERSON/ROOSEVELT
TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AREAS**

**UNITED PARCEL SERVICE, INC.,
AN OHIO CORPORATION,
REDEVELOPMENT AGREEMENT**

DATED AS OF OCTOBER 8, 2004

BY AND BETWEEN

THE CITY OF CHICAGO

AND

UNITED PARCEL SERVICE, INC.,
an Ohio corporation

This agreement was prepared by
and after recording return to:
William A Nyberg, Esq
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

UNITED PARCEL SERVICE, INC.,
AN OHIO CORPORATION
REDEVELOPMENT AGREEMENT
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**UNITED PARCEL SERVICE, INC.,
AN OHIO CORPORATION,
REDEVELOPMENT AGREEMENT
LIST OF SCHEDULES AND EXHIBITS**

Schedules

Schedule A	Definitions
Schedule B	Insurance Requirements

Exhibits

Exhibit A-1	* Roosevelt/Canal Redevelopment Area Legal Description
Exhibit A-2	* Jefferson/Roosevelt Redevelopment Area Legal Description
Exhibit B-1	* Legal Description of the Property
Exhibit B-2	Right of Way, Traffic Control and Signal Work
Exhibit B-3	Site Plan for the Project
Exhibit B-4	Commercial Planned Development No. 909, as amended
Exhibit C-1	Jefferson/Roosevelt Redevelopment Plan
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Exhibit D-1	* Project Budget
Exhibit D-2	* Construction (MBE/WBE) Budget
Exhibit E	* TIF-Funded Improvements
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Exhibit G	Approved Prior Expenditures
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Exhibit I	Opinion of Developer's Counsel
Exhibit J	* Preliminary TIF Projection - Real Estate Taxes
Exhibit K	Form of Payment and Performance Bond
Exhibit L	Public Benefits Program
Exhibit M	Form of Note and related Certificate of Expenditure
Exhibit N	Form of Recognition Agreement for SCDT

(An asterisk(*) indicates which exhibits are to be recorded.)

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This agreement was prepared by and
after recording return to
William A. Nyberg, Esq
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

**UNITED PARCEL SERVICE, INC.,
AN OHIO CORPORATION,
REDEVELOPMENT AGREEMENT**

This UNITED PARCEL SERVICE, INC., AN OHIO CORPORATION, Redevelopment Agreement (the "**Agreement**") is made as of this 8th day of October, 2004, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Planning and Development ("**DPD**"), and United Parcel Service, Inc., an Ohio corporation ("**Developer**").

RECITALS:

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "**State**"), the City has the power to regulate for the protection of the public health, safety, morals, and welfare of its inhabitants and, pursuant thereto, has the power to encourage private development in order to enhance the local tax base and create employment opportunities, and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (2002 State Bar Edition), as amended from time-to-time (the "**Act**"), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects.

C. **City Council Authority for the Roosevelt/Canal Redevelopment Area:** To induce redevelopment under the provisions of the Act, the City Council of the City (the "**City Council**") adopted the following ordinances on March 19, 1997: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Roosevelt/Canal Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Roosevelt/Canal Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Roosevelt/Canal Redevelopment Project Area" (the "**Roosevelt/Canal TIF Adoption Ordinance**"). Collectively the three ordinances are defined as the "**Roosevelt/Canal TIF Ordinances**". The Roosevelt/Canal redevelopment project area (the "**Roosevelt/Canal Redevelopment Area**") is legally described in Exhibit A-1. The redevelopment plan for the Roosevelt/Canal Redevelopment Area was amended by City Council on July 19, 2000, and the Roosevelt/Canal Redevelopment Area was also expanded.

D. **City Council Authority for the Jefferson/Roosevelt Redevelopment Area.** To additionally induce redevelopment under the provisions of the Act, the City Council also adopted the following ordinances on August 30, 2000: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Jefferson/Roosevelt Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Jefferson/Roosevelt Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Jefferson/Roosevelt Redevelopment Project Area" (the "**Jefferson/Roosevelt TIF Adoption Ordinance**"). Collectively the three ordinances are defined as the "**Jefferson/Roosevelt TIF Ordinances**". The Jefferson/Roosevelt redevelopment project area (the "**Jefferson/Roosevelt Redevelopment Area**") is legally described in Exhibit A-2.

E. **Developer's Current Operations:** Developer (or its Affiliates) currently operates a 23.3 acre distribution facility on scattered sites in the area bounded by 12th Place and Liberty Street on the north, Canal Street on the east, 16th Street on the south and Halsted and Ruble Streets on the west. Four of these scattered sites are located west of the Dan Ryan Expressway on land bounded by Liberty Street on the North, Union Avenue on the east, vacated 15th Place on the south and Halsted Street on the west (collectively, such sites are defined as the "**Union Avenue Parcels**"). The Board of Trustees of the University of Illinois (the "**Board**"), a body corporate and politic of state government of the State, desires to acquire the Union Avenue Parcels in connection with its South Campus development. In order for Developer to sell and vacate the Union Avenue Parcels, Developer requires replacement property east of the Dan Ryan Expressway and in the vicinity of its existing distribution center.

F. **The Project:** Developer (with the cooperation of its Affiliates) proposes the assemblage, remediation and redevelopment of: (i) 3 privately-owned parcels (the "**Soo-T Parcels**"); (ii) a parcel that is owned by the City and controlled by the State beneath an elevated portion of the Dan Ryan Expressway (the "**Dan Ryan Parcel**"); and, (iii) 2 street vacations.

Developer also proposes to reconfigure and renovate the existing Developer parking improvements that are located east of the Dan Ryan Expressway as well as develop with parking improvements parcels it currently owns for future expansion. Developer's overall objective is to facilitate the Board's redevelopment project on Developer's Union Avenue Parcels by creating and relocating to a unified distribution facility campus (the "**Campus**") east of the Dan Ryan Expressway. Legal descriptions of the parcels within the scope of the Project (the "**Property**") are stated in Exhibit B-1. Additionally, there will be installation of Campus gateways and signage at the intersections of 14th Place and Union Avenue and 14th Place and Canal Street. The City will install traffic control, signals and right of way improvements stated in Exhibit B-2. The assemblage, remediation, redevelopment and new construction work to create the Campus are collectively defined as the "**Project**". A site plan for the Project at completion is Exhibit B-3. The completion of the Project would not reasonably be anticipated to occur without the financing contemplated in this Agreement.

G. Redevelopment Plans: The Project will be carried out in accordance with: (i) this Agreement; (ii) the Jefferson/Roosevelt Tax Increment Financing Redevelopment Plan and Project dated June 12, 2000 (corrected from April 10, 2000), (the "**Jefferson/Roosevelt Redevelopment Plan**") which is Exhibit C-1, as amended from time-to-time; and (iii) the Roosevelt/Canal Tax Increment Redevelopment Plan and Project dated December, 1996 as amended by the Roosevelt/Canal Tax Increment Financing Redevelopment Plan and Project Amendment No. 1 dated January 18, 2000 (collectively the "**Roosevelt/Canal Redevelopment Plan**") which is Exhibit C-2; as amended from time-to-time. Collectively, the Jefferson / Roosevelt Redevelopment Plan and the Roosevelt /Canal Redevelopment Plan are defined as the "**Redevelopment Plans**".

H. Zoning: The Project will also be carried out in accordance with Commercial Planned Development No. 909 approved by City Council on May 26, 2004 which is Exhibit B-4 (the "**Zoning Requirements**").

I. City Financing and Assistance: Subject to the terms and conditions of this Agreement, the City will issue the Note to Developer up to the amount stated in Section 4.03. The City will make payments of principal and interest on the Note to reimburse Developer out of Available Incremental Taxes for the cost of TIF-Funded Improvements. In addition, the City may, in its discretion, issue tax increment allocation bonds ("**TIF Bonds**") secured by Incremental Taxes (as defined below) as provided in a TIF bond ordinance (the "**TIF Bond Ordinance**"), at a later date as described and conditioned in Section 4.07. The proceeds of the TIF Bonds (the "**TIF Bond Proceeds**") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Available Incremental Taxes, including any such payment made under the Note provided to Developer under this Agreement, or in order to reimburse the City for the costs of TIF-Funded Improvements.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT:

ARTICLE ONE: INCORPORATION OF RECITALS

The recitals stated above are an integral part of this Agreement and are incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE TWO: DEFINITIONS

The definitions stated in Schedule A and those definitions stated in the recitals are incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE THREE: THE PROJECT

3.01 **The Project.** Developer will: (i) begin redevelopment construction no later than December 15, 2004, and (ii) complete redevelopment construction no later than July 31, 2008, subject to the provisions of Section 18.17 (Force Majeure).

3.02 **Scope Drawings and Plans and Specifications.** Developer has delivered or caused to be delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved them. Developer is awaiting completion of permit and construction drawing sets. Developer will cause such detailed plans to be delivered to DPD and DPD has agreed to approve them as a post-closing item. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications, except all the permit and construction drawing sets to be approved as a post-closing item, within the scope of Section 3.04 will be submitted to DPD as a Change Order under Section 3.04. The Scope Drawings and Plans and Specifications will at all times conform to the Redevelopment Plans as in effect on the date of this Agreement, and all applicable Federal, State and local laws, ordinances and regulations. Developer will submit all necessary documents to the City's Department of Buildings, Department of Transportation, and to such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 **Project Budget.** Developer has furnished to DPD, and DPD has approved, a Project Budget which is Exhibit D-1, showing total costs for the Project in an amount not less than \$24,151,801. Developer hereby certifies to the City that: (a) it has Lender Financing and/or Equity in an aggregate amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. Developer will promptly deliver to DPD copies of any Change Orders with respect to the Project Budget as provided in Section 3.04.

3.04 Change Orders.

(a) Except as provided in subparagraph (b) below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by Developer to DPD concurrently with the progress reports described in Section 3.07; provided, however, that any Change Orders relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (i) a reduction by more than five percent (5%) in the square footage of the Project, or (ii) a change in the basic use of the Property and improvements, (iii) an increase in the Project budget by more than 10% or (iv) a delay in the Project completion date of more than 120 days. DPD will respond to Developer's request for written approval within 30 days from receipt of such request by granting or denying such request or by requesting additional information from Developer. If DPD does not respond to Developer's request in the time period specified in the preceding sentence, and if Developer has complied with the requirements for notice stated in Section 17.02, then Developer's request will be deemed to have been approved by DPD. Developer will not authorize or permit the performance of any work relating to any Change Order requiring DPD's prior written approval or the furnishing of materials in connection therewith prior to the receipt by Developer of DPD's written approval. The Construction Contract, and each contract between the Construction Manager and the General Contractor and each contract between the General Contractor and any subcontractor, will contain a provision to this effect. An approved Change Order will not be deemed to imply any obligation on the part of the City to increase the amount of City Funds or to provide any other additional assistance to Developer.

(b) Notwithstanding anything to the contrary in this Section 3.04, Change Orders costing less than Two Hundred Fifty Thousand Dollars (\$250,000) each, to an aggregate amount of Two Million Dollars (\$2,000,000), do not require DPD's prior written approval as stated in this Section 3.04, but DPD must be notified in writing of all such Change Orders and Developer, in connection with such notice, must identify to DPD the source of funding therefor in the progress reports described in Section 3.07.

3.05 **DPD Approval.** Any approval granted by DPD under this Agreement of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only, and any such approval does not affect or constitute any approval required by any other City department or under any City ordinance, code, regulation, or any other governmental approval, nor does any such approval by DPD under this Agreement constitute approval of the utility, quality, structural soundness, safety, habitability, or investment quality of the Project. Developer will not make any verbal or written representations to anyone to the contrary.

3.06 **Other Approvals.** Any DPD approval under this Agreement will have no effect upon, nor will it operate as a waiver of, Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals).

3.07 **Progress Reports and Survey Updates.** After the Closing Date, on or before the 15th day of each reporting month, Developer will provide DPD with written quarterly construction progress reports detailing the status of the Project, including a revised completion date, if necessary (with any delay in completion date being considered a Change Order, requiring DPD's written approval under Section 3.04). Developer must also deliver to the City written progress reports by draw, but not less than quarterly, detailing compliance with the requirements of Section 8.08 (Prevailing Wage), Section 10.02 (City Resident Construction Worker Employment Requirement) and Section 10.03 (Developer's MBE/WBE Commitment). Collectively, Sections 8.08, 10.02 and 10.03 are defined as the "City Requirements". If the reports reflect a shortfall in compliance with the requirements of Sections 8.08, 10.02 and 10.03, then there must also be included a written plan from Developer acceptable to DPD to address and cure such shortfall. At Project completion, upon the request of DPD, Developer will provide 3 copies of an updated Survey to DPD reflecting improvements made to the Property.

3.08 **Inspecting Agent.** The engineer for the Project will also act as the inspecting agent for DPD for the Project, and any fees and expenses connected with its work or incurred by such inspecting agent will be solely for Developer's account and will be promptly paid by Developer. The inspecting agent will perform periodic inspections with respect to the Project, providing written certifications with respect thereto to DPD, prior to requests for disbursements for costs related to the Project.

3.09 **Barricades.** Developer has installed or will install a construction barricade of a type and appearance satisfactory to the City and which barricade will be constructed in compliance with all applicable Federal, State or City laws, ordinances, rules and regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content, and design of all barricades (other than the name and logo of the Project) installed after the date of this Agreement.

3.10 **Signs and Public Relations.** Developer will erect in a conspicuous location on the Property during the Project a sign of commercially reasonable size and style, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and any other pertinent, non-confidential information regarding Developer and the Project in the City's promotional literature and communications.

3.11 **Utility Connections.** Developer may connect all on-site water, sanitary, storm and sewer lines constructed as a part of the Project to City utility lines existing on or near the perimeter of the Property, provided Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.12 **Permit Fees.** In connection with the Project, Developer is obligated to pay only those building, permit, engineering, tap on, and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

3.13 **Accessibility for Disabled Persons.** Developer acknowledges that it is in the public interest to design, construct and maintain the Project in a manner which promotes, enables, and maximizes universal access throughout the Project. Plans for all buildings on the Property and related improvements will be reviewed and approved by the Mayor’s Office for People with Disabilities (“MOPD”) to ensure compliance with all applicable laws and regulations related to access for persons with disabilities and to promote the highest standard of accessibility.

3.14 **Parcels to be Assembled or Reconfigured.** The following chart illustrates the parcels to be assembled or reconfigured by Developer (or its Affiliates):

Name	Sq/Ft	Acres	Ownership	General Location
Truck Feeder Lot 1E	62,027	1.4	Developer	South of 15 th St. and east of Jefferson St
Truck Feeder Lot 1W	67,591	1.6	Developer	South of 15 th St. and west of Jefferson St.
Truck Feeder Lot 5	62,640	1.4	To be acquired	South of 15 th St. and west of Jefferson St.
Employee Lot 6	53,254	1.2	To be acquired	South of 14 th Pl. and east of Jefferson St.
Employee Lot 7	122,335	2.8	To be acquired	Northwest corner of Canal Street and 14 th Pl.
Employee Lot Dan Ryan	136,855	2.3	To be acquired	Dan Ryan Expressway at 14 th Pl
South Truck Feeder Lot	212,676	4.9	Developer	North of 16 th St. between Union and Canal
Vacated Jefferson Street	5,297	0.1	To be vacated	Between 15 th St. and 15 th Pl.
Vacated 14th Place	48,142	1.1	To be vacated	Between Union Ave. and Jefferson St.
Totals	770,817	16.8		

3.15 **Developer Project Components.** The following is a list of Project components which are the responsibility of Developer:

- (a) Demolition of a railroad embankment and trestle between Union Avenue and Canal Street at the previously vacated portion of 15th Place;
- (b) Application for vacation and redevelopment of 14th Place between Union Avenue and Jefferson Street and the creation of Truck Feeder Lot 14th Place. This lot will include parking for 24 trucks;
- (c) Partial reconfiguration and renovation of Truck Feeder Lot 1E. This lot will include parking for 27 trucks;
- (d) Reconfiguration and renovation of Truck Feeder Lot 1W and the acquisition and redevelopment of Truck Feeder Lot 5. This lot, to be known as Truck Feeder Lot 1W/5 will include parking for 95 trucks;
- (e) Reconfiguration and renovation of the South Truck Feeder Lot. This lot will include parking for 211 trucks;
- (f) Acquisition and redevelopment of Employee Lot 6 and partial reconfiguration and renovation of Lot 1E. This lot, to be known as Employee Lot 1E/6, will include parking for 232 employee vehicles;
- (g) Acquisition and redevelopment of Employee Lot 7. This lot will include parking for 325 employee vehicles;

- (h) Leasing and redevelopment of Employee Lot Dan Ryan. This lot will include parking for 201 employee vehicles;
- (i) Application for vacation, remediation and redevelopment of Jefferson Street south of 15th Street. This vacation will improve Developer's access to, and control over, Lots 1E, 1W, 5 and the South Truck Feeder Lot;
- (j) Relocation of fiber optic cable located on Lots 1E and 1W;
- (k) Relocation of a cellular tower located on Lot 5;
- (l) Installation of Campus gateways and signage at the intersections of 14th Place and Union Avenue and 14th Place and Canal Street; and
- (m) All features of the Project will be in compliance with the City's Landscape Ordinance, and the Zoning Requirements.
- (n) Construction of the traffic control signals and right of way improvements stated in Exhibit B-2.

3.16 **City Project Components**. The following is a list of Project components which are the responsibility of the City:

- a. Reimbursement by the City of Developer's costs for the work stated in Exhibit B-2 in an amount up to \$333,800 through TIF-eligible expenses certified to the principal of the Note.
- b. Support the on-going legislative effort to obtain an amendment to existing State law to permit the Illinois Department of Transportation ("IDOT") to lease its property to municipalities for a term of 35 years.
- c. After such amendment becomes effective, the City will enter into a lease with IDOT for use of the Dan Ryan Parcel for a term of 35 years for the purpose of parking motor vehicles.
- d. Enter into a mutually acceptable sublease with Developer for a term of 35 years for the use of the Dan Ryan Parcel for Developer employee parking.
- e. Designation of Union Avenue, Ruble Street and Jefferson Street as truck routes and critical access routes for Developer's operations between Roosevelt Road and 16th Street.

To the extent any of the above Project components require applications (together with related exhibits and assembly of documents), plats of survey, listing of construction specifications or preparation of construction drawings, Developer agrees to prepare such items and pay for the costs of such items.

3.17 **Memorandum of Understanding.**

(a) The City acknowledges that Developer, South Campus Development Team, LLC, an Illinois limited liability company ("SCDT") and the Board have entered into that certain Memorandum of Understanding for Purchase of Land by the University of Illinois and Development of Relocation Parking Facilities for United Parcel Service dated as of April 30, 2004, as amended (the "**Memorandum**"). The Memorandum concerns the Project, management and administration of the Project, certain real estate transfers and related procedures and Project funding. Under Memorandum Section 11.14, SCDT and Developer have agreed for SCDT to provide the design, management and construction of the parking improvements for the Campus.

(b) The Memorandum may be amended by the parties thereto, and DPD will receive a certified copy of all amendments. If any amendment materially impacts the performance by either SCDT or Developer of the terms and conditions of this Agreement, then DPD's prior written approval is required. Such approval shall be granted or denied within 15 Business Days after the request thereof complying with the requirements of Section 17.02, provided that if denied, a written detailed explanation shall accompany such denial; provided further that the amendment shall be deemed approved if written notice, as provided above is not delivered to Developer within said 15 Business Days.

3.18 **Construction Management.** Developer and SCDT will enter into an agreement providing for construction design, construction management and the physical construction of the parking improvements for the Campus (such agreement is defined as the "**DMCA**"). For purposes of this Agreement, SCDT is from time to time identified as the "**Construction Manager**".

3.19 **Recognition Agreement.** Under Memorandum Section 11.06, SCDT agreed to execute a separate recognition agreement with the City satisfactory to Developer and to SCDT, to indicate their respective obligations under the Memorandum. SCDT in its role as Construction Manager for Developer will also include in its recognition agreement, an acknowledgment that SCDT will be governed by the City Requirements, the Redevelopment Plans and the Zoning Requirements and other applicable provisions of this Agreement in SCDT's work as construction manager for the Project. A form of recognition agreement for SCDT is Exhibit N.

3.20 **Issued Contracts.** Copies of all construction-related contracts issued by Developer or SCDT or both, and all subcontracts of general and prime contractors, for each Project component, will be provided to DPD within 10 Business Days after their execution and delivery.

ARTICLE FOUR: FINANCING

4.01 **Total Project Cost and Sources of Funds.** The cost of the Project is estimated to be \$24,151,801 and to be applied in the manner stated in the Project Budget. Such costs will be funded from the following sources when all anticipated Project financing has been completed:

Developer Equity (subject to <u>Section 4.06</u>)	\$ 23,485,601 ⁽¹⁾
City of Chicago (2 Street Vacations/Dan Ryan Parcel Sublease)	666,200
Lender Financing	<u>- 0 -</u>
Total Sources	\$ 24,151,801

NOTES:

1. Except as otherwise provided in this Agreement, all Project costs will be front-funded by Developer. All payments of principal and interest on the Note will occur after issuance of a Certificate of Completion as provided in Section 7.01, and subject to the terms and conditions of this Agreement.

4.02 **Developer Funds.** Developer Equity and Lender Financing, if any, will be used to pay all Project costs, including but not limited to costs of TIF-Funded Improvements.

4.03 **City Funds.**

(a) Uses of City Funds.

(i) Any principal or interest paid under the Note, and any other funds expended by the City under this Agreement or otherwise related to the Project or to the TIF-Funded Improvements are defined as “**City Funds**”.

(ii) City Funds may be used to reimburse Developer only for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit E states, by line item, the TIF-Funded Improvements for the Project contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such costs and their respective eligibility as a Redevelopment Project Cost. Reimbursement of costs through City Funds will be in the form of payment of principal and interest on the Note from Available Incremental Taxes.

(iii) Developer acknowledges and agrees that no payments of principal or interest on the Note will be made by the City until a Certificate of Completion as provided in Section 7.01 has been issued by the City to Developer.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including this Section 4.03 and Article Five, the City hereby agrees to provide City Funds to

Developer by issuing a Note on the Closing Date for a maximum amount of \$6,933,800. Any payments on the Note are subject to the amount of Available Incremental Taxes and Incremental Taxes for the Roosevelt/Canal Redevelopment Area, as applicable, being sufficient for such payments. Developer and Developer's consultant will prepare for the City's review a schedule of estimated Available Incremental Taxes reflecting the Property and the Project at the time of issuance of the Certificate. The total amount of City Funds under this Agreement will be not greater than \$6,933,800.

(c) Issuance of the \$6,933,800 Project Note. At closing, the City will issue the Note to Developer with the following terms and conditions:

(i) Principal. The principal balance for the Note will be equal to the cost of TIF-Funded Improvements incurred by Developer prior to the issuance date, up to a maximum amount of \$6,933,800. Such balance will be determined by the Certificate(s) of Expenditure issued by the City in the form of Exhibit M, upon Developer providing satisfactory evidence of expenditures for TIF-Funded Improvements and compliance with the applicable requirements and terms and conditions of this Agreement. After issuance of the Note, if the principal balance of the Note is less than \$6,933,800, then the principal balance of the Note will be increased if the City issues additional Certificate(s) of Expenditure in the form of Exhibit M up to a maximum amount of \$6,933,800. Developer acknowledges that the principal value of the Note can be no larger than the aggregate amount of the cost of TIF-Funded Improvements reflected in the Certificate(s) of Expenditure issued by the City, and such principal value may be reduced (perhaps substantially) from the maximum amount of \$6,933,800 if Developer cannot provide satisfactory evidence for TIF-Funded Improvements. Also, the principal amount of the Note will be reduced on a dollar-for-dollar basis if the final total Project cost is less than the currently estimated amount of \$24,151,801.

(ii) Interest. The interest rate for the Note will be the lesser of: (i) 8% per annum, or (ii) the 10-year Treasury Constant Maturities Rate as published in the Federal Reserve Statistical Release H-15 on (or as close to) the Closing Date, plus 300 basis points, but in no event greater than 8%. The interest rate will be fixed on the Closing Date.

(iii) Term. The Note will be issued on the Closing Date and will have a term beginning at the date of the Certificate of Completion and ending at the end of the Term of the Agreement (December 31, 2021).

(iv) Payments of Principal and Interest.

(A) Interest on the Note will begin to accrue at the date of the Certificate of Completion. Amortization of principal will occur as Available Incremental Taxes become available over the Term of the Agreement. Payments of principal and interest will be made annually on February 1st. In order to receive annual payments on the Note, Developer must submit a

requisition form by October 31st of each year following the date of the Certificate of Completion.

- (B) No payments of principal or interest on the Note will be made until a Certificate of Completion for the Project has been issued by the City.
- (C) Except as may be otherwise provided in this Agreement, Available Incremental Taxes only will be used to pay the principal of and interest on the Note and on unpaid interest, if any. In the ordinance authorizing the issuance of the Note, the City will establish an account denominated the: "United Parcel Service, Inc., an Ohio corporation, Developer Account" within the Roosevelt/Canal Redevelopment Project Area Special Tax Allocation Fund. All Available Incremental Taxes will be deposited into the United Parcel Service, Inc., an Ohio corporation, Developer Account.
- (D) After the principal and interest on the Note has been paid in full and the Note canceled according to its terms, then the United Parcel Service, Inc., an Ohio corporation, Developer Account will be closed and all subsequent Available Incremental Taxes will be deposited by the City in the Roosevelt/Canal Redevelopment Project Area Special Tax Allocation Fund.

(v) Insufficient Available Incremental Taxes. If the amount of Available Incremental Taxes pledged under this Agreement is insufficient to make any scheduled payment on the Note, then: (1) the City will not be in default under this Agreement or the Note, and (2) due but unpaid scheduled payments (or portions thereof) on the Note will be paid as provided in this Section 4.03 as promptly as funds become available for their payment. Interest per annum at the rate set when the Note is issued will accrue on any principal or interest payments which are unpaid because of insufficient Available Incremental Taxes.

(vi) Assignment or Pledge. Prior to the issuance of the Certificate of Completion, Developer may not assign, pledge, hypothecate or convey the Note without the prior written consent of DPD, which consent shall not be unreasonably withheld or delayed.

(vii) Prepayment. City may redeem all or any portion of the Note without premium or penalty at any time.

(viii) Cessation of Note Payments. If an Event of Default occurs, the City will have no further obligations to make any payments with respect to the Note and the City will have the remedies stated in Sections 7.03 and 15.02.

4.04 **Occupancy and Operations Requirements; Sale of Campus.**

(a) **Prior to the 5th Anniversary of the Date of Issuance of the Certificate of Completion.** During the period beginning at the date of issuance of the Certificate of Completion and ending on the 5th anniversary of the date of issuance of the Certificate of Completion, if Developer fails to occupy and operate the Campus and/or the Property, as a distribution center together with truck feeder and employee parking lots, then Developer must reimburse the City for all City Funds previously paid to Developer.

(b) **After the 5th Anniversary of the Date of Issuance of the Certificate of Completion.** During the period beginning on the 5th anniversary of the date of issuance of the Certificate of Completion and ending when the Term of the Agreement ends, if Developer fails to occupy and operate the Campus and/or the Property as a distribution center, together with truck feeder and employee parking lots, then the City's sole remedy shall be the right to terminate this Agreement and discontinue any principal and interest payments on the Note.

(c) **Change in Use.** For purposes of this Section 4.04, Developer's failure to occupy and operate the Campus and/or the Property as a distribution center, together with truck feeder and employee parking lots includes any event that changes the use of the Campus and/or the Property to a use that is inconsistent with the Zoning Requirements.

(d) **Sale of Campus.** After the date of issuance of the Certificate, Developer may sell the improved Campus and/or the Property with the prior written consent of DPD. If such sale occurs without the written consent of DPD and results in: (i) a change in use of the Campus, together with truck feeder and employee parking lots from a distribution center, or (ii) Developer ceasing operations on the Campus and/or the Property, then the City may, in its sole discretion, terminate this Agreement and discontinue any principal and interest payments on the Note.

4.05 **Treatment of Prior Expenditures.** Only those expenditures made by Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, will be considered previously contributed Equity or Lender Financing, if any, hereunder (the "**Prior Expenditure(s)**"). DPD has the right, in its sole discretion, to disallow any such expenditure (not listed on Exhibit G) as a Prior Expenditure as of the date hereof. Exhibit G states the prior expenditures approved by DPD as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements will not be reimbursed to Developer, but will reduce the amount of Equity and/or Lender Financing, if any, required to be contributed by Developer under Section 4.01.

4.06 **Cost Overruns.** If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available under Section 4.03, Developer will be solely responsible for such excess costs, and will hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and from any and all costs and expenses of completing the Project in excess of the Project Budget.

4.07 **TIF Bonds.** The Commissioner of DPD may, in his or her sole discretion, recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the City Comptroller, is marketable under the then current market conditions. The proceeds of TIF Bonds may be used to pay the outstanding principal and accrued interest (through the date of prepayment) under the Note and for other purposes as the City may determine. The costs of issuance of the TIF Bonds would be borne solely by the City. Developer will cooperate with the City in the issuance of the TIF Bonds, as provided in Section 8.05.

ARTICLE FIVE: CONDITIONS PRECEDENT

The following conditions precedent to closing must be complied with to the City's satisfaction within the time periods set forth below or, if no time period is specified, prior to the Closing Date:

5.01 **Project Budget.** Developer will have submitted to DPD, and DPD will have approved, a Project Budget in accordance with the provisions of Section 3.03.

5.02 **Scope Drawings and Plans and Specifications.** Developer will have submitted to DPD, and DPD will have approved, the Scope Drawings and Plans and Specifications as provided in Section 3.02 or DPD has agreed to approve them as a post-closing item.

5.03 **Other Governmental Approvals.** Developer will have secured or applied for or begun work to prepare applications for all other necessary approvals and permits required by any Federal, State, or local statute, ordinance, rule or regulation to begin or continue construction of the Project, and will submit evidence thereof to DPD.

5.04 **Financing.**

(a) Developer has provided the City with the Memorandum which is deemed evidence acceptable to the City that Developer has Equity and Lender Financing, if any, at least in the amounts stated in Section 4.01 to complete the Project and satisfy its obligations under this Agreement. If a portion of such financing consists of Lender Financing, Developer will have furnished evidence as of the Closing Date that the proceeds thereof are available to be drawn upon by Developer as needed and are sufficient (along with the Equity and other financing sources, if any, stated in Section 4.01) to complete the Project.

(b) Prior to the Closing Date, Developer will deliver to DPD a copy of the construction escrow agreement entered into by Developer. The construction escrow agreement must provide that the City will receive copies of all construction draw request materials submitted by Developer after the date of this Agreement.

(c) Any financing liens in existence at the Closing Date and recorded against that portion of the Property owned by Developer will be subordinated to certain encumbrances of the

City stated in this Agreement under a subordination agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of Developer, in the Office of the Recorder of Deeds of Cook County.

(d) The City agrees that the Note may be pledged on a collateral basis to any lender or lenders providing Lender Financing, if any.

5.05 **Acquisition and Title.** On the Closing Date, Developer will furnish the City with a copy of the Title Policy for the portion of the Property owned by Developer, showing Developer as the named insured. The Title Policy will be dated as of the Closing Date and will contain only those title exceptions listed as Permitted Liens on Exhibit H and will evidence the recording of this Agreement under the provisions of Section 8.17. The Title Policy will also contain the following endorsements as required by Corporation Counsel: an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access, and survey.

5.06 **Evidence of Clear Title.** Not less than 5 Business Days prior to the Closing Date, Developer, at its own expense, will have provided the City with current searches under Developer's name as follows:

- | | |
|--|-------------------------------|
| Secretary of State (IL) | UCC search |
| Secretary of State (IL) | Federal tax lien search |
| Cook County Recorder | UCC search |
| Cook County Recorder | Fixtures search |
| Cook County Recorder | Federal tax lien search |
| Cook County Recorder | State tax lien search |
| Cook County Recorder | Memoranda of judgments search |
| U.S. District Court (N.D. IL) | Pending suits and judgments |
| Clerk of Circuit Court,
Cook County | Pending suits and judgments |

showing no liens against Developer, that portion of the Property owned by Developer or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.07 **Surveys.** Developer will have furnished the City with 3 copies of the Survey.

5.08 **Insurance.** Developer, at its own expense, will have insured the Property and the Project as required under Article Twelve. Prior to the Closing Date, certificates required under Article Twelve evidencing the required coverages will have been delivered to DPD.

5.09 **Opinion of Developer's Counsel.** On the Closing Date, Developer will furnish the City with an opinion of counsel, substantially in the form of Exhibit I, with such changes as may be required by or acceptable to Corporation Counsel. If Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give

some of the opinions stated in Exhibit I, such opinions shall be obtained by Developer from its general corporate counsel.

5.10 **Evidence of Prior Expenditures.** Developer will have provided evidence satisfactory to DPD of the Prior Expenditures, if any, as provided in Section 4.07.

5.11 **Financial Statements.** Developer will have provided Financial Statements to DPD for its 2002 and 2003 fiscal years, if available, and its most recently available unaudited interim Financial Statements.

5.12 **Additional Documentation.** If requested by DPD, Developer will have provided documentation to DPD, satisfactory in form and substance to DPD concerning Developer's employment profile.

5.13 **Environmental Audit.** Developer will have provided DPD with copies of all Phase I environmental audits completed with respect to the Property (excluding the Dan Ryan Parcel and the street vacation parcels), if any, and a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits. If environmental issues exist on the Property, the City will require written verification from the Illinois Environmental Protection Agency that all identified environmental issues have been or will be resolved to its satisfaction.

5.14 **Entity Documents.** Developer will provide a copy of its current Articles of Incorporation, with all amendments, containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and the State of Illinois; its by-laws; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other organizational documentation as the City may request.

5.15 **Litigation.** Developer will provide to Corporation Counsel and DPD, at least 10 Business Days prior to the Closing Date, a description of all pending or threatened litigation or administrative proceedings: (i) involving the Developer and which has been included in United Parcel Service, Inc.'s, a Delaware corporation, ("UPS-Delaware") Annual Report on Form 10-K filed with the Securities and Exchange Commission for UPS-Delaware's most recent fiscal year or in any Form 8-K since the end of UPS-Delaware's most recent fiscal year; (ii) involving the Developer and the City of Chicago; or (iii) involving any portion of the Property then owned by Developer specifying the information provided in the Form 10-K and, if requested by DPD, the following information: the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith, and whether (and to what extent) such potential liability is covered by insurance.

5.16 **Preconditions of Accepting Certificates of Expenditure.** Prior to the acceptance by DPD of any Certificate of Expenditure under the Note, Developer must submit to DPD documentation of such expenditures (in the form of waivers of lien, canceled checks, closing statements, or such other documentation as DPD may reasonably require), which will be

satisfactory to DPD. Delivery by Developer to DPD of any Certificate of Expenditure hereunder will, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that to the best of Developer's knowledge:

(a) the total amount of the disbursement request represents the actual amount payable to (or paid to) the General Contractor and/or subcontractors for work performed on the Project, and/or their payees in accordance with Contractor's sworn statements;

(b) all amounts shown as previous payments on the current certificate have been paid to the parties entitled to such payment;

(c) Developer has approved all work and materials for the current certificate and, to the reasonable belief of Developer, such work and materials conform to the Plans and Specifications;

(d) the representations and warranties of Developer contained in this Agreement are true and correct and Developer is in compliance with all covenants contained herein;

(e) Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Project except for the Permitted Liens and liens which have been bonded or otherwise secured; and

(f) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred.

(g) the Project is In Balance. The Project will be deemed to be in balance ("**In Balance**") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "**Available Project Funds**" as used herein means: (i) the undisbursed Lender Financing, if any; (ii) the undisbursed Equity; and (iii) any other amounts deposited by Developer under this Agreement. Developer agrees that, if the particular phase of the Project is not In Balance, Developer will, within 10 days after a written request by the City, deposit either with the lender providing any of the Lender Financing or with the construction escrow agent, cash in an amount that will place the particular phase of the Project In Balance, which deposit shall first be exhausted upon the request of such lender before any further acceptance of a Certificate of Expenditure shall be made.

The City will not execute any Certificate of Expenditure for the Note unless Developer has satisfied the City that Developer has complied, or is implementing a plan to comply, with the requirements of the City Requirements (Sections 8.08, 10.02 and 10.03). The City will have the right, in its reasonable discretion, to require Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any acceptance of a Certificate of Expenditure by the City will be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct. In addition, Developer will have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements not inconsistent with this

Agreement and stated in the TIF Bond Ordinance, if any, the Bonds, if any, the TIF Bonds, if any, the TIF Ordinances, the Note, and this Agreement.

ARTICLE SIX: AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) DPD acknowledges that Developer has selected SCDT as Construction Manager. SCDT has selected James McHugh Construction Company as the General Contractor for the Project. Developer will cause the Construction Manager to cause the General Contractor to solicit bids for work on the Project solely from qualified subcontractors eligible to do business with the City of Chicago.

(b) Developer must cause the Construction Manager to submit copies of the Construction Contract to DPD as required under Section 6.02 below. Upon the written request of DPD, Developer will cause the Construction Manager to provide photo-copies of all general contracts and subcontracts entered or to be entered into in connection with the Project within 5 Business Days of the execution thereof. The Developer must ensure that the Construction Manager will not (and must cause the Construction Manager to ensure that the General Contractor and subcontractors will not) begin work on the Project (or any phase thereof) until the applicable Plans and Specifications for that phase have been approved by DPD and all requisite permits have been obtained.

6.02 Construction Contract. Prior to the execution thereof, Developer must cause the Construction Manager to deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to work on the Project, for DPD's prior written approval. Following execution of such contract by the parties thereto, Developer will cause the Construction Manager to deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 Performance and Payment Bonds. Prior to commencement of construction of any work in the public way, Developer will require the Construction Manager to require that the General Contractor and any applicable subcontractor(s) be bonded (as to such work in the public way) for their respective payment and performance by sureties having an AA rating or better using the bond form attached as Exhibit K. The City will be named as obligee or co-obligee on such bond.

6.04 Employment Opportunity. Developer will contractually obligate and cause the Construction Manager to agree and contractually obligate the General Contractor and each subcontractor to agree to the provisions of Article Ten; provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and the City resident obligations in Article Ten shall be applied on an aggregate basis and the failure of the General Contractor to require each subcontractor to satisfy or the failure of any one subcontractor to satisfy, such obligation shall not result in a default or a termination of this Agreement or require payment of

the City resident hiring shortfall amounts so long as such Article Ten obligations are satisfied on an aggregate basis.

6.05 **Other Provisions.** In addition to the requirements of this Article Six, the DMCA and each contract with the General Contractor and any subcontractor must contain provisions required under Section 3.04 (Change Orders), Section 8.08 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Construction Worker Employment Requirement), Section 10.03 (Developer's MBE/WBE Commitment), Article Twelve (Insurance) and Section 14.01 (Books and Records).

ARTICLE SEVEN: COMPLETION OF CONSTRUCTION

7.01 **Certificate of Completion of Construction.**

(a) Upon completion of the construction of the Project in compliance with the terms and conditions of this Agreement, and upon Developer's written request, DPD will issue to Developer a certificate of completion of construction in recordable form (the "**Certificate of Completion**") certifying that Developer has fulfilled its obligation to complete the Project in compliance with the terms and conditions of this Agreement. DPD will respond to Developer's written request for a Certificate of Completion within 30 days by issuing either a Certificate of Completion or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed and the measures which must be taken by Developer in order to obtain the Certificate of Completion. Developer may resubmit a written request for a Certificate of Completion upon completion of such measures, and the City will respond within 30 days in the same way as the procedure for the initial request. Such process may repeat until the City issues a Certificate of Completion.

(b) Developer acknowledges and understands that the City will not issue a Certificate of Completion until the following conditions have been met:

- (i) Developer has completed the Project in compliance with the terms and conditions of this Agreement.
- (ii) the City Requirements stated in Section 8.08 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Construction Worker Employment Requirement) and Section 10.03 (Developer's MBE/WBE Commitment) have been met.

7.02 **Effect of Issuance of Certificate of Completion; Continuing Obligations.**

(a) The Certificate of Completion relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate of Completion, however, all executory terms and conditions of this Agreement and all

representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate of Completion must not be construed as a waiver by the City of any of its rights and remedies under such executory terms.

(b) Those covenants specifically described at Section 8.02 (Covenant to Redevelop) and Section 8.18 (Real Estate Provisions) and Section 8.19 (Prohibited Uses) as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement. The other executory terms of this Agreement that remain after the issuance of a Certificate of Completion will be binding only upon Developer or a permitted assignee of Developer who, as provided in Section 18.15 (Assignment) of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities hereunder.

7.03 **Failure to Complete.** If Developer fails to complete the Project in compliance with the terms of this Agreement, then the City will have, but will not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed under this Agreement;

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of such TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. If the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available under Section 4.01, Developer will reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from Developer, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax-exempt status, if any, of any TIF Bonds.

7.04 **Notice of Expiration of Term of Agreement.** Upon the expiration of the Term of the Agreement, DPD will provide Developer, at Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired.

ARTICLE EIGHT: REPRESENTATIONS, WARRANTIES AND COVENANTS OF DEVELOPER.

8.01 **General.** Developer represents, warrants, and covenants, as of the date of this Agreement and as of the date of issuance of the Note, that:

(a) Developer is an Ohio corporation, duly organized, validly existing and qualified to do business in Illinois;

(b) Developer is a wholly-owned subsidiary of UPS Worldwide Forwarding, Inc. (“**Forwarding**”). Forwarding in turn is a wholly-owned subsidiary of United Parcel Service of America, Inc. (“**UPS-America**”). UPS-America is a wholly-owned subsidiary of United Parcel Service, Inc., a Delaware corporation (“**UPS-Delaware**”). UPS-Delaware is a publicly-traded corporation and is Developer’s ultimate parent entity.

(c) Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement or has applied or will otherwise apply for permits and approvals required to complete the Project;

(d) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary corporate action, and does not and will not violate its Articles of Incorporation as amended and supplemented, its by-laws, and to the best of Developer’s knowledge, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which Developer is now a party or by which Developer or any of its assets is now or may become bound;

(e) Developer (or its Affiliates) has acquired or will acquire and will maintain good, indefeasible and merchantable fee simple title to the Property (and improvements) other than the Dan Ryan Parcel which Developer shall lease, free and clear of all liens except for the Permitted Liens or Lender Financing, if any, as disclosed in the Project Budget; as used in this Agreement, the phrase: “that portion of the Property owned by Developer” includes parcels owned by its Affiliates from time-to-time.

(f) Developer is now, and until the earlier to occur of the expiration of the Term of the Agreement and the date, if any, on which Developer has no further economic interest in the Project, will remain solvent and able to pay its debts as they mature;

(g) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending or, to Developer’s actual knowledge threatened or affecting Developer which is reasonably likely to impair its ability to perform under this Agreement;

(h) Developer has or will acquire as necessary and will maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

(i) Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which Developer is a party or by which Developer or any of its assets is bound which would materially adversely effect its ability to comply with its obligations under this Agreement;

(j) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of Developer; and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of Developer since the date of Developer's most recent Financial Statements;

(k) prior to the issuance of a Certificate of Completion, if it would materially adversely affect Developer's ability to perform its obligations under this Agreement, Developer will not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose (directly or indirectly) of all or substantially all of its assets or any portion of the Property or the Project (including any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition;

(l) Developer has not incurred and, prior to the issuance of a Certificate of Completion, will not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Project other than the Permitted Liens; provided, however, that Developer shall be permitted to contest matters subject to a lien upon deposit of security or confirmation of other security arrangements reasonably acceptable to DPD; or incur any indebtedness secured or to be secured by the Project or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

(m) has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or under City ordinance, for services to any City agency ("**City Contract**") as an inducement for the City to enter into the Agreement or any City Contract with Developer in violation of Chapter 2-156-120 of the Municipal Code of the City, as amended;

(n) neither the Developer nor any Affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons Lists, the Unverified List, the Entity List and the Debarred List.

8.02 **Covenant to Redevelop.** Upon DPD's approval of the Scope Drawings and Plans and Specifications, and the Project Budget as provided in Sections 3.02 and 3.03, and Developer's receipt of all required building permits and governmental approvals, Developer will redevelop or cause the redevelopment of the Property in compliance with this Agreement, the TIF Ordinances, the Scope Drawings, the Plans and Specifications, the Project Budget and all amendments thereto, and all Federal, State and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project and/or Developer. The covenants stated in

this Section 8.02 will run with the land and will be binding upon any transferee, until fulfilled as evidenced by the issuance of a Certificate.

8.03 **Redevelopment Plans.** Developer represents that the Project is and will be in compliance with all applicable terms of the Redevelopment Plans, as in effect on the date of this Agreement.

8.04 **Use of City Funds.** City Funds disbursed to Developer will be used by Developer solely to reimburse Developer for its payment for the TIF-Funded Improvements as provided in this Agreement.

8.05 **Other Bonds.** At the request of the City, Developer will agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole and absolute discretion) TIF Bonds or other bonds (“**Bonds**”) in connection with the Project or the Roosevelt/Canal Redevelopment Area or the Jefferson/Roosevelt Redevelopment Area, the proceeds of which are to be used to reimburse the City for expenditures made in connection with the TIF-Funded Improvements; provided, however, that any such amendments will not have a material adverse effect on Developer or the Project. Developer will cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including providing written descriptions of the Project, making representations, providing information regarding its financial condition, and assisting the City in its preparation of an offering statement with respect thereto. Developer will not have any liability with respect to any disclosures made in connection with any such issuance that are actionable under applicable securities laws unless such disclosures are based on factual information provided by Developer that is determined to be false and misleading.

8.06 **Employment Opportunity.**

(a) Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the Construction Manager and, as applicable, to cause the Construction Manager to contractually obligate the General Contractor and each subcontractor to abide by the terms set forth in Section 8.08 and Article Ten. Developer will submit to DPD a plan describing its compliance program prior to the Closing Date.

(b) Developer will deliver to the City written progress reports by draw, but not less than quarterly, detailing compliance with the requirements of Sections 8.08, 10.02 and 10.03 of this Agreement. If any such reports indicate a shortfall in compliance, Developer will also deliver a plan to DPD which will outline, to DPD’s satisfaction, the manner in which Developer will correct any shortfall.

8.07 **Employment Profile.** Developer will contractually obligate and cause the Construction Manager to submit and contractually obligate the General Contractor and any subcontractor to submit, to DPD, from time to time, statements of the General Contractor’s or subcontractor’s employment profile upon DPD’s request.

8.08 **Prevailing Wage.** Developer covenants and agrees to pay, and to contractually obligate and cause the Construction Manager to pay and to contractually cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the State Department of Labor (the “**Labor Department**”), to all of their respective employees working on constructing the Project or otherwise completing the TIF-Funded Improvements. All such contracts will list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed under such contract. If the Labor Department revises such prevailing wage rates, the revised rates will apply to all such contracts. Upon the City's request, Developer will provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.08.

8.09 **Arms-Length Transactions.** Unless DPD has given its prior written consent with respect thereto which consent shall not be unreasonably withheld or delayed, no Affiliate of Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. Developer will provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to an Affiliate by Developer and reimbursement to Developer for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

8.10 **No Conflict of Interest.** Under Section 5/11-74.4-4(n) of the Act, Developer represents, warrants and covenants that to the best of its actual knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Roosevelt/Canal Redevelopment Area or the Jefferson/Roosevelt Redevelopment Area or the Redevelopment Plans, or any consultant hired by the City or Developer with respect thereto, (a “**City Group Member**”) owns or controls, has owned or controlled or will own or control any interest, and no such City Group Member will represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer, the Property, the Project, or to Developer's actual knowledge, any other property in the Roosevelt/Canal Redevelopment Area or the Jefferson/Roosevelt Redevelopment Area.

8.11 **Disclosure of Interest.** Developer's counsel has no direct or indirect financial ownership interest in Developer, the Property, or any other feature of the Project.

8.12 **Financial Statements.** If requested by DPD, Developer will obtain and provide to DPD Financial Statements for Developer's fiscal year ended 2002 or 2003, as applicable, and each year thereafter for the Term of the Agreement. In addition, if requested by DPD, Developer will submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

8.13 **Insurance.** Solely at its own expense, Developer will comply with all provisions of Article Twelve.

8.14 Non-Governmental Charges.

(a) Payment of Non-Governmental Charges. Except for the Permitted Liens, and subject to subsection (b) below, Developer agrees to pay or cause to be paid when due any Non-Governmental Charges assessed or imposed upon the portion of the Property Developer owns, or any fixtures that are or may become attached thereto and which are owned by Developer, which create, may create, or appear to create a lien upon any portion of the Property Developer owns; provided however, that if such Non-Governmental Charges may be paid in installments, Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. Developer will furnish to DPD, within 30 days of DPD's request, official receipts from the appropriate entity, or other evidence satisfactory to DPD, evidencing payment of the Non-Governmental Charges in question.

(b) Right to Contest. Developer will have the right, before any delinquency occurs:

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charges by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charges, prevent the imposition of a lien or remove such lien, or prevent the transfer or forfeiture of the Property or the Project (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend Developer's covenants to pay any such Non-Governmental Charges at the time and in the manner provided in this Section 8.14); or

(ii) at Developer's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD will require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such transfer or forfeiture of the Property or the Project or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charges and all interest and penalties upon the adverse determination of such contest.

8.15 Developer's Liabilities. Developer will not enter into any transaction that would materially and adversely affect its ability to perform its obligations under this Agreement. Developer will immediately notify DPD of any and all events or actions which may materially affect Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements related to this Agreement or the Project.

8.16 Compliance with Laws.

(a) Representation. To the best of Developer's knowledge, the Property and the Project are in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property or the

Project. Upon the City's request, Developer will provide evidence satisfactory to the City of such current compliance.

(b) Covenant. Developer covenants that the Property and the Project will be operated and managed in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes. Upon the City's request, Developer will provide evidence to the City of its compliance with this covenant.

8.17 **Recording and Filing**. Developer will cause this Agreement, certain exhibits (as specified by Corporation Counsel) and all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of Cook County, Illinois against that portion of the Property owned by Developer on the Closing Date (other than the Dan Ryan Parcel or the street vacations). Developer will pay all fees and charges incurred in connection with any such recording. Upon recording, Developer will immediately transmit to the City an executed original of this Agreement showing the date and recording number of record. Developer will cause the documents recorded at closing to be promptly re-recorded against the Soo-T Parcels and the street vacations when each is acquired by Developer.

8.18 **Real Estate Provisions**.

Note: With respect to this Agreement section, the term: "Property" means: (i) those parcels owned by Developer, (ii) the Soo-T Parcels when acquired by Developer; and (iii) the street vacations when acquired by Developer but not the Dan Ryan Parcel which Developer plans to sub-lease from the City.

(a) Governmental Charges.

(i) Payment of Governmental Charges. Subject to subsection (ii) below, Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Property, or become due and payable, and which create, may create, or appear to create a lien upon Developer or all or any portion of the Property. "**Governmental Charge**" means all Federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to Developer, the Property, or the Project, including but not limited to real estate taxes.

(ii) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or transfer or forfeiture of the Property. No such contest or objection will be deemed or construed in any way as relieving, modifying or extending

Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

(x) Developer will demonstrate to DPD's satisfaction that legal proceedings instituted by Developer contesting or objecting to a Governmental Charge will conclusively operate to prevent or remove a lien against, or the sale or transfer or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings, or;

(y) Developer will furnish a good and sufficient bond or other security satisfactory to DPD or confirm other security arrangements satisfactory to DPD, in such form and amounts as DPD may require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or transfer or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

(b) Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay or contest any Governmental Charge or to obtain discharge of the same, Developer will advise DPD thereof in writing, at which time DPD may, but will not be obligated to, and without waiving or releasing any obligation or liability of Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, will be promptly disbursed to DPD by Developer. Notwithstanding anything contained herein to the contrary, this paragraph must not be construed to obligate the City to pay any such Governmental Charge. Additionally, if Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

(c) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. Developer agrees that: (A) for the purposes of this Agreement, the total projected minimum assessed value of the Property (and related improvements) ("**Minimum Assessed Value**") is shown on Exhibit J for the years noted on Exhibit J; (B) Exhibit J sets forth the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Project for the years shown are fairly and accurately indicated in Exhibit J.

(ii) Real Estate Tax Exemption. With respect to the Property (and related improvements) or the Project, neither Developer nor any agent, representative, lessee,

tenant, assignee, transferee or successor in interest to Developer will, during the Term of this Agreement, seek or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

(iii) No Reduction in Real Estate Taxes. Neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer will, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit J for the applicable year.

(iv) No Objections. Neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer, will object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Under Assessment Complaint (as defined below) or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "**Under Assessment Complaint**" as used in this Agreement means any complaint seeking to increase the assessed value of the Property (and related improvements) or the Project up to (but not above) the Minimum Assessed Value as shown in Exhibit J.

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.18(c) are covenants running with the land. This Agreement will be recorded by Developer as a memorandum thereof, at Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions will be binding upon Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants will be released when the Roosevelt/Canal Redevelopment Area or the Jefferson/Roosevelt Redevelopment Area are no longer in effect. Developer agrees that any sale, transfer, lease, conveyance, or transfer of title to all or any portion of the Property or the Project from and after the date hereof must be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.18 (c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of Developer, its successors or assigns, may waive and terminate Developer's covenants and agreements set forth in this Section 8.18(c).

8.19 **Prohibited Uses.** Upon issuance of a Certificate of Completion, the Project and the Property will not be used for any use other than a campus-style distribution center together with truck feeder and employee parking lots, as more specifically permitted under the Zoning Requirements, without the prior written consent of DPD. The covenants stated in this Section 8.19 will run with the land and will be binding upon any transferee.

8.20 **Reserved.**

8.21 **Job Readiness Program.** If requested by the City, Developer will meet with the Mayor's Office of Workforce Development to determine the applicability of and possible participation by Developer in job readiness programs established by the City in conjunction with the similar programs currently offered by Developer to help prepare individuals to work within the Roosevelt/Canal Redevelopment Area or the Jefferson/Roosevelt Redevelopment Area.

8.22 **Public Benefits Program.** On or after the Closing Date, Developer will undertake a public benefits program ("**Public Benefits Program**"), described in more detail in Exhibit L. If the Public Benefits Program is on-going, then Developer will provide the City with a status report on an annual basis describing in sufficient detail Developer's compliance with the Public Benefits Program.

8.23 **Broker's Fees.** Developer has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to any of the transactions contemplated by this Agreement for which the City could become liable or obligated.

8.24 **No Business Relationship with City Elected Officials.** Developer acknowledges receipt of a copy of Section 2-156-030(b) of the Municipal Code and that Developer has read and understands such provision. Under Section 2-156-030(b) of the Municipal Code of Chicago, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a "Business Relationship" (as defined in Section 2-156-080(b)(2) of the Municipal Code), or to participate in any discussion of any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official, with respect to this Agreement, or in connection with the transactions contemplated thereby, will be grounds for termination of this Agreement and the transactions contemplated thereby. Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Agreement or the transactions contemplated thereby.

8.25 **Survival of Covenants.** All warranties, representations, covenants and agreements of Developer contained in this Article Eight and elsewhere in this Agreement are true, accurate and complete at the time of Developer's execution of this Agreement, and will survive the execution, delivery and acceptance by the parties and (except as provided in Article Seven upon the issuance of a Certificate) will be in effect throughout the Term of the Agreement.

ARTICLE NINE: REPRESENTATIONS, WARRANTIES AND COVENANTS OF CITY

9.01 **General Covenants.** The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.

9.02 **Survival of Covenants.** All warranties, representations, and covenants of the City contained in this Article Nine or elsewhere in this Agreement are true, accurate, and complete at the time of the City's execution of this Agreement, and will survive the execution, delivery and acceptance by the parties and will be in effect throughout the Term of the Agreement.

9.03 **City Authorization.** The execution, delivery and performance by the City of this Agreement has been duly authorized by all necessary corporate action including all required notices and the conduct of all required public hearings and meetings.

ARTICLE TEN: DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 **Employment Opportunity.** Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer operating on the Project (collectively, with Developer, such parties are defined herein as the "**Employers**", and individually defined herein as an "**Employer**") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time-to-time (the "**Human Rights Ordinance**"). Each Employer must take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, must state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age,

handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Roosevelt/Canal Redevelopment Area or the Jefferson/Roosevelt Redevelopment Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Roosevelt/Canal Redevelopment Area or the Jefferson/Roosevelt Redevelopment Area.

(c) Each Employer will comply with all applicable Federal, State and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the State Human Rights Act, 775 ILCS 5/1-101 et. seq. (2002 State Bar Edition, as amended), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, will cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of Federal, State and municipal agencies.

(e) Each Employer will include the foregoing provisions of subparagraphs (a) through (d) in every construction contract entered into in connection with the Project, and will require inclusion of these provisions in every subcontract entered into by any subcontractors and every agreement with any Affiliate operating on the Property, so that each such provision will be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 10.01 will be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof, subject to the cure rights under Section 15.03.

10.02 City Resident Construction Worker Employment Requirement.

(a) Developer agrees for itself and its successors and assigns, and will contractually obligate its Construction Manager and will cause the Construction Manager to contractually obligate its General Contractor and subcontractors, as applicable, to agree, that during the construction of the Project they will comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project will be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, Developer, its Construction Manager, the General Contractor and each subcontractor will be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions. Developer, the Construction Manager, the General Contractor and each subcontractor will use their respective best efforts to exceed the

minimum percentage of hours stated above, and to employ neighborhood residents in connection with the Project.

(b) Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

(c) **"Actual residents of the City"** means persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

(d) Developer, the Construction Manager, the General Contractor and each subcontractor will provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer will maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

(e) Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) will be submitted to the Commissioner of DPD in triplicate, which will identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

(f) Upon 2 Business Days prior written notice, Developer, the Construction Manager, the General Contractor and each subcontractor will provide full access to their employment records related to the Construction of the Project to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. Developer, the Construction Manager, the General Contractor and each subcontractor will maintain all relevant personnel data and records related to the Construction of the Project for a period of at least 3 years after final acceptance of the work constituting the Project.

(g) At the direction of DPD, affidavits and other supporting documentation will be required of Developer, the Construction Manager, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

(h) Good faith efforts on the part of Developer, the Construction Manager, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) will not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

(i) When work at the Project is completed, in the event that the City has determined that Developer has failed to ensure the fulfillment of the requirement of this Article concerning the worker hours performed by actual residents of the City or failed to report in the manner as

indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Article. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs stated in the Project Budget undertaken by Developer (and specifically excluding any tenant improvements which are not undertaken by Developer) (the product of .0005 x such aggregate hard construction costs) (as the same will be evidenced by approved contract value for the actual contracts) will be surrendered by Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly will result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the party making such statements and certifications to prosecution. Any retainage to cover contract performance that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer must surrender damages as provided in this paragraph.

(j) Nothing herein provided will be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

(k) Developer will cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project.

10.03 Developer's MBE/WBE Commitment. Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements stated herein, will contractually obligate the Construction Manager to agree and to contractually obligate the General Contractor to agree that, during the Project:

(a) Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "**MBE/WBE Program**"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the construction budget stated in Exhibit D-2 will be expended for contract participation by MBEs or WBEs:

- i. At least 24 percent by MBEs.
- ii. At least 4 percent by WBEs.

Developer, its successors and assigns the Construction Manager and the General Contractor will each use their respective good faith efforts to exceed the percentages stated above.

(b) For purposes of this Section 10.03 only, Developer (and any party to whom a contract is let by Developer in connection with the Project) will be deemed a "contractor" and

this Agreement (and any contract let by Developer in connection with the Project) will be deemed a "contract" as such terms are defined in Section 2-92-420, Municipal Code of Chicago.

(c) Consistent with Section 2-92-440, Municipal Code of Chicago, Developer's MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of: (i) the MBE or WBE participation in such joint venture; or, (ii) the amount of any actual work performed on the Project by the MBE or WBE), by Developer utilizing a MBE or a WBE as a Construction Manager or a General Contractor (but only to the extent of any actual work performed on the Project by the Construction Manager or General Contractor), by subcontracting or causing the Construction Manager or the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE will not be credited more than once with regard to Developer's MBE/WBE commitment as described in this Section 10.03. Developer, Construction Manager, or the General Contractor may meet all or part of this commitment through credits received under Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

(d) Developer will deliver quarterly reports to DPD during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports will include inter alia the name and business address of each MBE and WBE solicited by Developer, Construction Manager or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining Developer's compliance with this MBE/WBE commitment. DPD will have access to Developer's, Construction Manager's and General Contractor's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Article Fourteen of this Agreement, on 5 Business Days notice, to allow the City to review Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, Developer will be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

(f) Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 10.03 must be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

(g) Prior to execution of this Agreement, Developer, the Construction Manager, the General Contractor and all major subcontractors then under contract shall be required to meet with the monitoring staff of DPD with regard to Developer's compliance with its obligations under this Section 10.03. During this meeting, Developer must demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by DPD. During the Project, Developer will submit the documentation required by this Section 10.03 to the monitoring staff of DPD. This information will include the following: (1) subcontractor's activity report; (2) General Contractor's certification concerning labor standards and prevailing wage requirements; (3) General Contractor letter of understanding; (4) monthly utilization report required under Section 3.07; (5) authorization for payroll agent; (6) certified payroll; and (7) evidence that MBE/WBE contractor associations have been informed of the Project, as required. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that Developer is not complying with its obligations under this Agreement will, upon the delivery of written notice to Developer, be deemed an Event of Default under this Agreement. Any such Event of Default will be subject to the cure provisions of Section 15.03(b).

(h) Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may withhold any further payment of any City Funds to Developer or the General Contractor, or seek any other remedies against Developer available at law or in equity.

ARTICLE ELEVEN: ENVIRONMENTAL MATTERS

11.01 **Environmental Matters**. Developer hereby represents and warrants to the City that Developer has conducted environmental studies on the Property owned by Developer and the Soo-T Parcels sufficient to conclude that the Project may be constructed, completed and operated on the Property owned by Developer and the Soo-T Parcels in accordance with all Environmental Laws, this Agreement and all Exhibits attached hereto, the Scope Drawings, the Plans and Specifications and all amendments thereto, the TIF Bond Ordinance, if any, and the Redevelopment Plans.

Without limiting any other provisions hereof, Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of Developer: (i) the presence of any Hazardous Materials on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Materials from: all or any portion of the Property owned by Developer or (ii) any liens against the Property owned by Developer permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property owned by Developer.

ARTICLE TWELVE: INSURANCE

12.01 **Insurance Requirements.** Developer's insurance requirements are stated in Schedule B which is hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE THIRTEEN: INDEMNIFICATION

13.01 **General Indemnity.** Developer agrees to indemnify, pay and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "**Indemnitee**," and collectively the "**Indemnitees**") harmless from and against, any and all liabilities, obligations, losses, damages (arising out of a third party action against the City), penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever, (and including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitees shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees by a third party in any manner relating to or arising out of:

- (i) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (ii) Developer's or any contractor's unexcused failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project feature or improvement; or
- (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or the Redevelopment Plans or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate or any of their respective agents, (Construction Manager, General Contractor, and any other contractors or subcontractors are independent contractors and not agents of Developer), officers, directors, equity holders, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate; or
- (iv) Developer's failure to cure any misrepresentation in this Agreement or any other document or agreement relating hereto; or
- (v) any act or omission by Developer or any Affiliate.

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer will contribute the maximum portion that it is permitted to pay and satisfy under applicable law, to the payment and

satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 will survive the termination of this Agreement.

ARTICLE FOURTEEN: MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 **Books and Records.** Developer will keep and maintain or cause to be kept and maintained separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual costs of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, will be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer will not pay for salaries or fringe benefits of auditors or examiners. Developer must incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project.

14.02 **Inspection Rights.** Upon 3 Business Days notice, any authorized representative of the City will have access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

ARTICLE FIFTEEN: DEFAULT AND REMEDIES

15.01 **Events of Default.** The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, will constitute an "Event of Default" by Developer hereunder:

- (a) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under this Agreement or under the "Project Documents" as scheduled in the Memorandum;
- (b) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under any other agreement with any person or entity if such failure may have a material adverse effect on Developer's business, property (including the Property or the Project), assets (including the Property or the Project), operations or condition, financial or otherwise;
- (c) the making or furnishing by Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;
- (d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt by Developer to create, any lien or other encumbrance upon the

portion of the Property owned by Developer or on the Soo-T Parcels after acquisition by Developer, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against Developer or Developer's ultimate parent entity or for the liquidation or reorganization of Developer or Developer's ultimate parent entity, or alleging that Developer or Developer's ultimate parent entity is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's or Developer's ultimate parent entity's debts, whether under the United States Bankruptcy Code or under any other state or Federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving Developer or Developer's ultimate parent entity; provided, however, that if such commencement of proceedings is involuntary, such action will not constitute an Event of Default unless such proceedings are not dismissed within 60 days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for Developer or Developer's ultimate parent entity, for any substantial part of Developer's or Developer's ultimate parent entity's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of Developer or Developer's ultimate parent entity; provided, however, that if such appointment or commencement of proceedings is involuntary, such action will not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within 60 days after the commencement thereof;

(g) the entry of any judgment or order against Developer for an amount in excess that would materially impact Developer's ability to perform under this Agreement and which remains unsatisfied or undischarged and in effect for 60 days after such entry without a stay of enforcement or execution;

(h) the occurrence of an event of default under the Lender Financing, if any, which default is not cured within any applicable cure period;

(i) the dissolution of Developer or Developer's ultimate parent entity; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against Developer or any natural person who owns a material interest in Developer, which is not dismissed within 30 days, or the indictment of Developer or any natural person who owns a material interest in Developer, for any crime (other than a misdemeanor).

For purposes of Section 15.01(j) hereof, a natural person with a material interest in Developer is one owning in excess of thirty-three percent (33%) of Developer's or Developer's ultimate parent entity's issued and outstanding ownership shares or interest.

Copies of notices of default sent to Developer will also be sent simultaneously to SCDT.

15.02 **Remedies.** Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend payment of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein. To the extent permitted by law, the City may also lien the Property.

15.03 **Curative Period.**

(a) In the event Developer fails to perform a monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default will not be deemed to have occurred unless Developer has failed to perform such monetary covenant within 30 days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant.

(b) In the event Developer fails to perform a non-monetary covenant which Developer is required to perform under this Agreement, an Event of Default will not be deemed to have occurred unless Developer has failed to cure such default within 30 days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such 30 day period, Developer will not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such 30 day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

15.04 **Remedies Not Penal in Nature.** The remedies stated in this Article 15 and elsewhere in this Agreement constitute a material part of the City's bargained-for consideration and are a material inducement to its execution of this Agreement. Developer acknowledges that but for the City's undertaking to provide City Funds under this Agreement, Developer's ability to finance and complete the Project would have been materially restricted. Developer acknowledges and agrees that the remedies stated in Article 15 and elsewhere in this Agreement are reasonable and not penal in nature and that, but for such remedies, the City would not have agreed to execute this Agreement.

ARTICLE SIXTEEN: MORTGAGING OF THE PROJECT

16.01 **Mortgaging of the Project.** Any and all mortgages or deeds of trust in place as of the date of this Agreement with respect to the portion of the Property owned by Developer are listed on Exhibit H (including but not limited to mortgages made prior to or on the date of this Agreement in connection with Lender Financing, if any) and are referred to herein as the "**Existing Mortgages.**" Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the portion of the Property owned by Developer without obtaining the prior written consent of the City is referred to in this Agreement as a "**New Mortgage.**" Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the portion of the

Property owned by Developer with the prior written consent of the City is referred to in this Agreement as a “**Permitted Mortgage.**” It is hereby agreed by and between the City and Developer as follows:

(a) If a mortgagee or any other party shall succeed to Developer's interest in the portion of the Property owned by Developer by the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage) whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.15, the City may, but will not be obligated to, attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party will be entitled to no rights or benefits under this Agreement, but such party will be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) If any mortgagee or any other party shall succeed to Developer's interest in the portion of the Property owned by Developer, now or in the future, by the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.15, then the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the executory obligations and liabilities of "Developer" under this Agreement. Notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Developer's interest under this Agreement, such party will have no liability under this Agreement for any Event of Default of Developer which occurred prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer will be solely responsible. However, if such mortgagee under an Existing Mortgage or a Permitted Mortgage does not expressly accept an assignment of Developer's interest under this Agreement, then such party will be entitled to no rights and benefits under this Agreement, and such party will be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to Developer of a Certificate Completion under Article Seven, no New Mortgage will be executed with respect to the portion of the Property owned by Developer, now or in the future, without the prior written consent of the Commissioner of DPD. A feature of such consent will be that any New Mortgage will subordinate its mortgage lien to the covenants in favor of the City that run with the land. After the issuance of a Certificate, consent of the Commissioner of DPD is not required for any such New Mortgage.

ARTICLE SEVENTEEN: NOTICES

17.01 **Notices.** All notices and any other communications under this Agreement will: (A) be in writing; (B) be sent by: (i) telecopier/fax machine, (ii) delivered by hand, (iii) delivered by an overnight courier service which maintains records confirming the receipt of documents by

the receiving party, or (iv) registered or certified U.S. Mail, return receipt requested; (C) be given at the following respective addresses:

- If to the City: City of Chicago
Department of Planning and Development
Attn: Commissioner
121 North LaSalle Street, Room 1000
Chicago, IL 60602
312/744-4190 (Main No.)
312/744-2271 (Fax)
- With Copies To: City of Chicago
Corporation Counsel
Attn: Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602
312/744-0200 (Main No.)
312/744-8538 (Fax)
- If to Developer: United Parcel Services, Inc.
858 Meridian Lake Drive, Suite A
Aurora, IL 60504
Attention: North Central Region Plant Engineering Manager
630/851-7171 (Main No.)
630/851-4096 (Fax)
- With a copy to: United Parcel Service
Corporate Real Estate
55 Glenlake Parkway NE
Atlanta, GA 30328
Attention: Mr. Terry Kremeier
Facsimile: (404) 828-7024
- United Parcel Service
Corporate Legal
55 Glenlake Parkway NE
Atlanta, GA 30328
Attention: Rick Rufolo, Esq.
Facsimile: (404) 828-6912
- Quarles & Brady, LLP
500 W. Madison Street
Suite 3700
Chicago, IL 60661
Attention: Peter A. Sarasek, Esq./Robert Gamrath, III, Esq.

Telephone: 312/715-5000
Facsimile: 312/715-5155

If to SCDT: South Campus Development Team, L.L.C.
1401 S. Halsted Street
Chicago, IL 60607
Attention: Larry Justice
Telephone: 312/850-8330 Ext. 20
Facsimile: 312/850-8338

With a copy to: Kathleen M. Vyborny, Esq.
Law Offices of Kathleen M. Vyborny
8312 Kostner Avenue
Skokie, IL 60076
Telephone: 847/763-1476
Facsimile: 312/896-1559

If to the Board: Ellen Hamilton
Director of Real Estate
University Of Illinois at Chicago
809 S. Marshfield, Room 606 MC 078
Chicago, IL 60612
Telephone: 312/996-8193
Facsimile: 312/996-7287

With a copy to: Donna M. Williamson, Esq.
Campus Legal Counsel
Office of the University Counsel
University Of Illinois at Chicago
1737 W. Polk, #405, M-C225
Chicago, IL 60612-7228
Telephone: 312/996-7762
Facsimile: 312/996-6455

and Neal, Murdock & Leroy, L.L.C.
203 N. LaSalle Street
Suite 2300
Chicago, IL 60601
Attention: Richard F. Friedman, Esq.
Telephone: 312/641-7144
Facsimile: 312/641-5137

or at such other address or telecopier/fax or telephone number or to the attention of such other person as the party to whom such information pertains may hereafter specify for the purpose in a

notice to the other specifically captioned “Notice of Change of Address” and, (D) be effective or deemed delivered or furnished: (i) if given by telecopier/fax, when such communication is confirmed to have been transmitted to the appropriate telecopier/fax number specified in this address shown herein; (ii) if given by hand delivery or UPS Next Day Air service, when left at the address of the addressee, properly addressed as provided above.

17.02 **Developer Requests for City or DPD Approval.** Any request under this Agreement for City or DPD approval submitted by Developer will comply with the following requirements:

- (a) be in writing and otherwise comply with the requirements of Section 17.01 (Notices);
- (b) expressly state the particular document and section thereof relied on by Developer to request City or DPD approval;
- (c) if applicable, note in bold type that failure to respond to Developer’s request for approval by a certain date will result in the requested approval being deemed to have been given by the City or DPD;
- (d) if applicable, state the outside date for the City’s or DPD’s response; and
- (e) be supplemented by a delivery receipt or time/date stamped notice or other documentary evidence showing the date of delivery of Developer’s request.

ARTICLE EIGHTEEN: ADDITIONAL PROVISIONS

18.01 **Amendments.** This Agreement and the Schedules and Exhibits attached hereto may not be modified or amended except by an agreement in writing signed by the parties; **provided, however, that** the City in its sole discretion, may amend, modify or supplement the Redevelopment Plans, which are Exhibits C-1 and C-2. For purposes of this Agreement, Developer is only obligated to comply with the Redevelopment Plans as in effect on the date of this Agreement.

18.02 **Complete Agreement, Construction, Modification.** This Agreement, including any exhibits and the other agreements, documents and instruments referred to herein or contemplated hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, commitments and writings with respect to such subject matter. This Agreement and the Schedules and Exhibits attached hereto may not be contradicted by evidence of prior, contemporaneous, or subsequent verbal agreements of the parties. *There are no unwritten verbal agreements between the parties.*

18.03 **Limitation of Liability.** No member, elected or appointed official or employee or agent of the City shall be individually, collectively or personally liable to Developer or any

successor in interest to Developer in the event of any default or breach by the City or for any amount which may become due to Developer or any successor in interest, from the City or on any obligation under the terms of this Agreement.

18.04 **Further Assurances.** Developer and City each agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement, and to accomplish the transactions contemplated in this Agreement.

18.05 **Waivers.** No party hereto will be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by such party. No delay or omission on the part of a party in exercising any right will operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement will not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, will constitute a waiver of any of such parties' rights or of any obligations of any other party hereto as to any future transactions.

18.06 **Remedies Cumulative.** The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein must not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

18.07 **Parties in Interest/No Third Party Beneficiaries.** The terms and provisions of this Agreement are binding upon and inure to the benefit of, and are enforceable by, the respective successors and permitted assigns of the parties hereto. This Agreement will not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the City or the Developer, will be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or Developer.

18.08 **Titles and Headings.** The Article, section and paragraph headings contained herein are for convenience of reference only and are not intended to limit, vary, define or expand the content thereof.

18.09 **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, must be construed together and will constitute one and the same instrument.

18.10 **Counterpart Facsimile Execution.** For purposes of executing this Agreement, a document signed and transmitted by facsimile machine must be treated as an original document.

The signature of any party thereon will be considered as an original signature, and the document transmitted will be considered to have the same binding legal effect as an original signature on an original document. At the request of either party, any facsimile document shall be re-executed by other parties in original form. No party hereto may raise the use of a facsimile machine as a defense to the enforcement of this Agreement or any amendment executed in compliance with this section. This section does not supercede the requirements of Article Seventeen: Notices.

18.11 **Severability**. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, is held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances will remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms will provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein. In such event, the parties will negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly affects the parties' intent in entering into this Agreement.

18.12 **Conflict**. In the event of a conflict between any provisions of this Agreement and the provisions of the Roosevelt/Canal TIF Ordinances or the Jefferson/Roosevelt TIF Ordinances in effect as of the date of this Agreement, such ordinances will prevail and control.

18.13 **Governing Law**. This Agreement is governed by and construed in accordance with the internal laws of the State, without regard to its conflicts of law principles.

18.14 **Form of Documents**. All documents required by this Agreement to be submitted, delivered or furnished to the City will be in form and content satisfactory to the City.

18.15 **Assignment**. Prior to the issuance by the City to Developer of a Certificate of Completion, Developer may not sell, assign or otherwise transfer its interest in this Agreement or the Note in whole or in part without the written consent of the City; provided, however, that Developer may pledge, on a collateral basis, the right to receive City Funds under the Note to a lender providing Lender Financing, if any, which has been identified to the City as of the Closing Date. Any successor in interest to Developer under this Agreement will certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.25 (Survival of Covenants) hereof, for the Term of the Agreement. Developer hereby consents to the City's transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18.16 **Binding Effect**. This Agreement is binding upon Developer, the City and their respective successors and permitted assigns (as provided herein) and will inure to the benefit of Developer, the City and their respective successors and permitted assigns (as provided herein).

18.17 **Force Majeure**. Neither the City nor Developer nor any successor in interest to either of them will be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty,

war, acts of terrorism, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay will, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

18.18 **Exhibits and Schedules.** All of the exhibits and schedules attached hereto are incorporated herein by reference. Any exhibits and schedules to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same has been set forth verbatim herein.

18.19 **Business Economic Support Act.** Under the Business Economic Support Act (30 ILCS 760/1 et seq. 2002 State Bar Edition, as amended), if Developer is required to provide notice under the WARN Act, Developer will, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and Minority Leader of the Senate of the State, and the Mayor of each municipality where Developer has locations in the State. Failure by Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

18.20 **Approval.** Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction must be made, given or determined by the City, DPD or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City will act for the City or DPD in making all approvals, consents and determinations of satisfaction, granting the Certificate of Completion or otherwise administering this Agreement for the City.

18.21 **Construction of Words.** The use of the singular form of any word herein includes the plural, and vice versa. Masculine, feminine and neuter pronouns are fully interchangeable, where the context so requires. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision. The term "include" (in all its forms) means "include, without limitation" unless the context clearly states otherwise. The word "shall" means "has a duty to".

18.22 **Date of Performance.** If any date for performance under this Agreement falls on a Saturday, Sunday or other day which is a holiday under Federal law or under State law, the date for such performance will be the next succeeding Business Day.

18.23 **Survival of Agreements.** Except as otherwise contemplated by this Agreement, all covenants and agreements of the parties contained in this Agreement will survive the consummation of the transactions contemplated hereby.

18.24 **Equitable Relief.** In addition to any other available remedy provided for hereunder, at law or in equity, to the extent that a party fails to comply with the terms of this Agreement, any of the other parties hereto shall be entitled to injunctive relief with respect thereto, without the necessity of posting a bond or other security, the damages for such breach hereby being acknowledged as unascertainable.

18.25 **Venue and Consent to Jurisdiction.** If there is a lawsuit under this Agreement, each party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

[The remainder of this page is intentionally left
blank and the signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be signed on or as of the day and year first above written.

UNITED PARCEL SERVICE, INC., an Ohio Corporation

By: 

Printed Name: TERRY L. KREMEIER

Title: VICE PRESIDENT

CITY OF CHICAGO

By: _____,
Commissioner,
Department of Planning and Development

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be signed on or as of the day and year first above written.

UNITED PARCEL SERVICE, INC., an Ohio Corporation

By: _____

Printed
Name: _____

Title: _____

CITY OF CHICAGO

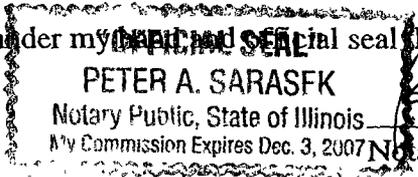
By: *Denise*
DENISE M. CASALINO, _____

Commissioner,
Department of Planning and Development



STATE OF Illinois)
) ss
COUNTY OF Cook)

I, Peter A. Sarasek, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Jerry L. Kremerer, personally known to me to be the Vice President (title) of United Parcel Service, Inc., an Ohio corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my ~~official seal~~ official seal this 9th day of October, 2004.
 Peter A. Sarasek
PETER A. SARASEK
Notary Public, State of Illinois
My Commission Expires Dec. 3, 2007 Notary Public

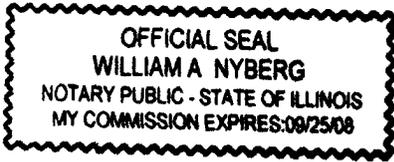
My Commission Expires 12.3.07

(SEAL)

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, William A. Nyberg, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that DENISE M. CASALINO personally known to me to be the _____ Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 8th day of October, 2004.



William A. Nyberg
Notary Public

My Commission Expires 09/25/08

**UNITED PARCEL SERVICE, INC.,
AN OHIO CORPORATION**

Redevelopment Agreement
dated as of October 8, 2004

SCHEDULE A

DEFINITIONS

For purposes of this Agreement the following terms shall have the meanings stated below:

"Act" has the meaning defined in Recital B.

"Actual Residents of the City" has the meaning defined for such phrase in Section 10.02(c).

"Affiliate" when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any person or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

"Agreement" has the meaning defined in the Agreement preamble.

"Available Incremental Taxes" means an amount equal to 85% of the Incremental Taxes (as defined below) deposited after the Closing Date in the Roosevelt/Canal Redevelopment Project Area Special Tax Allocation Fund (as defined below), using the year 1995 as a base year for equalized assessed valuation, after payment in full of any principal and interest due on the Soo-T, LLC Note issued to Soo-T, LLC on August 22, 1997.

"Available Project Funds" has the meaning defined for such phrase in Section 5.16(g).

"Board" has the meaning defined in Recital E.

"Bonds" has the meaning defined in Section 8.05.

"Business Day" means any day other than Saturday, Sunday or a legal holiday in the State.

"Campus" has the meaning stated in Recital F.

"Certificate of Completion" means the Certificate of Completion of Construction described in Section 7.01.

"Certificate of Expenditure(s)" means the certificates, in the form of Exhibit M hereto, issued by the City to increase the principal amount of the Note.

"Change Order" means any amendment or modification to the Scope Drawings, the Plans and Specifications, or the Project Budget (all as defined below) within the scope of Section 3.04.

"City" has the meaning defined in the Agreement preamble.

"City Contract" has the meaning defined in Section 8.01(m).

"City Council" means the City Council of the City of Chicago as defined in Recital C.

"City Funds" means the funds described in Section 4.03(a)(i).

"City Group Member" has the meaning defined in Section 8.10.

"City Requirements" has the meaning defined in Section 3.07.

"Closing Date" means the date of signature and delivery of this Agreement by all parties hereto.

"Construction Contract" means that certain contract substantially in the form of Exhibit F, to be entered into between the Construction Manager and the General Contractor (as defined below) providing for construction of the TIF-Funded Improvements. The parties may agree that the Construction Contract may be provided after Closing.

"Construction Manager" has the meaning defined in Section 3.18.

"Corporation Counsel" means the City's Office of Corporation Counsel.

"Dan Ryan Parcel" has the meaning defined in Recital F.

"Developer" has the meaning defined in the Agreement preamble.

"DMCA" has the meaning defined in Section 3.18.

"DPD" has the meaning defined in the Agreement preamble.

"Employer(s)" has the meaning defined in Section 10.01.

"Environmental Laws" means any and all Federal, State or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago (as defined below).

"Equity" means Developer funds or funds available to Developer (other than funds derived from Lender Financing (as defined below)) irrevocably available for the Project, in the amount stated in Section 4.01 hereof, which amount may be increased under Section 4.06 (Cost Overruns).

"Event of Default" has the meaning defined in Section 15.01.

"Existing Mortgages" has the meaning defined in Section 16.01.

"Financial Statements" means the financial statements regularly prepared by Developer's ultimate parent entity, and including, but not limited to, a balance sheet, income statement and cash-flow statement, in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods, and which are delivered to the lender(s) providing Lender Financing pursuant to Developer's loan agreement(s), if any.

"Forwarding" has the meaning defined in Section 8.01(b).

"General Contractor" means the general contractor(s) hired by Construction Manager.

"Governmental Charge" has the meaning defined in Section 8.18(a)(i).

"Hazardous Materials" means any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

"Human Rights Ordinance" has the meaning defined in Section 10.01(a).

"IDOT" has the meaning defined in Section 3.16.

"In Balance" has the meaning defined in Section 5.16(g).

"Incremental Taxes" means such ad valorem taxes which, pursuant to the Roosevelt/Canal TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to, and when collected are paid to, the Treasurer of the City for deposit by the Treasurer into a special tax allocation fund established to pay Redevelopment Project Costs (as defined below) and obligations incurred in the payment thereof, such fund for the purposes of this Agreement being the Roosevelt/Canal Redevelopment Project Area Special Tax Allocation Fund.

"Indemnitee" and **"Indemnitees"** have the respective meanings defined in Section 13.01.

"Jefferson/Roosevelt Redevelopment Area" has the meaning defined in Recital D and as legally described in Exhibit A-2.

"Jefferson/Roosevelt Redevelopment Plan" has the meaning defined in Recital G.

"Jefferson/Roosevelt TIF Adoption Ordinance" has the meaning defined in Recital D.

"Jefferson/Roosevelt TIF Ordinances" has the meaning defined in Recital D.

"Labor Department" has the meaning defined in Section 8.08.

"Lender Financing" means funds borrowed by Developer from lenders and available to pay for costs of the Project, in the amount stated in Section 4.01, if any.

"MBE(s)" means a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise.

"MBE/WBE Program" has the meaning defined in Section 10.03(a).

"Memorandum" has the meaning defined in Section 3.17(a).

"Minimum Assessed Value" has the meaning defined in Section 8.18(c)(i) and shown as Exhibit J.

"Municipal Code" means the Municipal Code of the City of Chicago as presently in effect and as hereafter amended from time to time.

"New Mortgage" has the meaning defined in Section 16.01.

"Non-Governmental Charges" means all non-governmental charges, liens, claims, or encumbrances relating to Developer, the Property or the Project.

"Note" means the taxable City of Chicago Tax Increment Allocation Revenue Note R-1 (United Parcel Service, Inc., an Ohio corporation, Redevelopment Project), Taxable Series A to be in the form attached hereto as Exhibit M in the maximum principal amount of up to \$6,933,800 to be issued by the City to Developer on the Closing Date. The Note will bear interest at a market rate set at the issue date, but in no event greater than 8% and will provide for accrued but unpaid interest to bear interest at the same annual rate, all payable as of each February 1. The payment of the amounts due under the Note will be secured only by the Available Incremental Taxes, unless the City, in its sole discretion, elects to use other legally available funds to make payments with respect to the Note. The Note will have a term beginning at the date of the Certificate and ending at the Term of the Agreement (December 31, 2021).

"Permitted Liens" means those liens and encumbrances against the Property and/or the Project stated in Exhibit H.

"Permitted Mortgage" has the meaning defined in Section 16.01.

"Plans and Specifications" means final construction documents containing a site plan and working drawings and specifications for the Project.

"Public Benefits Program" has the meaning defined in Section 8.22.

"Prior Expenditure(s)" has the meaning defined in Section 4.05.

"Project" has the meaning defined in Recital F.

"Project Budget" means the budget stated in Exhibit D-1, showing the total cost of the Project by line item, as furnished by Developer to DPD, in accordance with Section 3.03.

"Property" has the meaning defined in Recital F and as legally described in Exhibit B-1.

"Public Benefits Program" has the meaning defined in Section 8.22.

"Redevelopment Plans" has the meaning defined in Recital G.

"Redevelopment Project Costs" means redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget stated in the Roosevelt/Canal Redevelopment Plan or otherwise referenced in the Roosevelt/Canal Redevelopment Plan.

"Roosevelt/Canal Redevelopment Area" has the meaning defined in Recital C and as legally described in Exhibit A-1.

"Roosevelt/Canal Redevelopment Plan" has the meaning defined in Recital G.

"Roosevelt/Canal Redevelopment Project Area Special Tax Allocation Fund" means the special tax allocation fund created by the City in connection with the Roosevelt/Canal Redevelopment Area into which the Incremental Taxes (as defined above) will be deposited.

"Roosevelt/Canal TIF Adoption Ordinance" has the meaning defined in Recital C.

"Roosevelt/Canal TIF Ordinances" has the meaning defined in Recital C.

"SCDT" has the meaning defined in Section 3.17(a);

"Scope Drawings" means preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

"Soo-T Parcels" has the meaning defined in Recital F.

"State" means the State of Illinois as defined in Recital A.

"Survey" means an urban plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 6 months prior to the Closing Date, reasonably acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and any updates thereof to reflect improvements to the Property as required by the City or the lender(s) providing Lender Financing, if any).

"Term of the Agreement" means the period of time commencing on the Closing Date and ending on December 31, 2021, being the end-date for tax collections applicable to the 23rd year from the date of the Roosevelt/Canal TIF Ordinances.

"TIF Bonds" has the meaning defined for such term in Recital I.

"TIF Bond Ordinance" has the meaning stated in Recital I.

"TIF Bond Proceeds" has the meaning stated in Recital I.

"TIF-Funded Improvements" means those improvements of the Project which: (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Roosevelt/Canal Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement, and (iv) are stated in Exhibit E.

"Title Company" means First American Title Insurance Company.

"Title Policy" means a title insurance policy in the most recently revised ALTA or equivalent form, showing Developer as the insured, noting the recording of this Agreement as an

encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Project related to Lender Financing, if any, and issued by the Title Company.

"Under Assessment Complaint" has the meaning defined in Section 8.18(c)(iv).

"Union Avenue Parcels" has the meaning stated in Recital E.

"UPS-America" has the meaning defined in Section 8.01(b).

"UPS-Delaware" has the meaning defined in Section 5.15 and Section 8.01(b).

"WARN Act" means the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

"WBE(s)" means a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise.

"Zoning Requirements" has the meaning stated in Recital H.

**UNITED PARCEL SERVICE, INC.,
AN OHIO CORPORATION**

Redevelopment Agreement
dated as of October 8, 2004

SCHEDULE B

ARTICLE TWELVE: INSURANCE REQUIREMENTS

12.01 **Insurance.** Developer will provide and maintain, or cause to be provided and maintained, at Developer's own expense, during the Term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers' Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, sub-contractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of 2 years following Project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, Developer must cause each contractor to provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or rail transit property or within 50 feet of railroad or rail transit property, contractor must provide, or cause to be provided with respect to the operations that the contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk Builders Risk Insurance

When the contractor undertakes any construction, including improvements, betterments, and/or repairs, Developer must cause each contractor to provide, or cause to be provided All Risk Blanket Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Project. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable, flood including surface water backup. The City will be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Developer must cause such parties to maintain Professional Liability Insurance covering acts, errors, or omissions which shall be maintained with limits of not less than \$1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work performed in connection with this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years.

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement by Developer's architects, contractors, sub-contractors, project managers and other parties constructing the Project, Developer will cause such parties to maintain Valuable Papers Insurance which must be maintained in an amount to insure against any loss whatsoever, and which must have limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

When any environmental remediation work is performed which may cause a pollution exposure, Developer will cause the party performing such work to maintain contractor's Pollution Liability insurance with limits of not less than \$1,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 1 year. The City is to be named as an additional insured on a primary, non-contributory basis.

(c) Other Insurance Required.

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Project. The City is to be named as an additional insured.
- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Project site. Coverage extensions

shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City is to be named as an additional insured.

(d) Other Requirements

- (i) Developer will furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Agreement. Developer will submit evidence of insurance on the City Insurance Certificate Form or commercial equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer must not be deemed to be a waiver by the City. Developer will advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance will not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.
- (ii) The insurance will provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.
- (iii) Any and all deductibles or self insured retentions on referenced insurance coverages are borne by Developer.
- (iv) Developer agrees that insurers must waive rights of subrogation against the City, its employees, elected officials, agents, or representatives.
- (v) Developer expressly understands and agrees that any coverages and limits furnished by Developer will in no way limit Developer's liabilities and responsibilities specified within the Agreement documents or by law.
- (vi) Developer expressly understands and agrees that Developer's insurance is primary and any insurance or self insurance programs maintained by the City will not contribute with insurance provided by Developer under the Agreement.

- (vii) The required insurance will not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.
- (viii) Developer will require its general contractor and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the contractor or subcontractors. All contractors and subcontractors will be subject to the same requirements of Developer unless otherwise specified herein.
- (ix) If Developer, contractor or subcontractor desires additional coverages, Developer, contractor and each subcontractor will be responsible for the acquisition and cost of such additional protection.
- (x) The City Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as such action does not, without Developer's written consent, increase such requirements.

Developer

UNITED Parcel Service, INC.
an OHIO CORPORATION

July 8, 2004

FOR CITY USE
AFFIDAVIT NO _____

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT**

The City of Chicago (the "City") requires disclosure of the information requested in this Economic Disclosure Statement and Affidavit ("EDS") before any City agency, department or City Council action regarding the matter that is the subject of this EDS. Please fully complete each statement, with all information current as of the date this EDS is signed. If a question is not applicable, answer with "N.A." **An incomplete EDS will be returned and any City action will be interrupted.**

Please **print or type** all responses clearly and legibly. Add additional pages if needed, being careful to identify the portion of the EDS to which each additional page refers.

WHO MUST SUBMIT AN EDS:

1. **Applicants:** Any individual or entity (the "Applicant") making an application to the City for action requiring City Council or other City agency approval must file this EDS.
2. **Entities holding an interest in the Applicants:** Generally, whenever an ownership interest in the Applicant (for example, shares of stock of the Applicant or a limited partnership interest in the Applicant) is held or owned by a legal entity (for example, a corporation or partnership, rather than an individual) each such legal entity must also file an EDS on its own behalf, and any parent of that legal entity must do so until individual owners are disclosed. **However**, if an entity filing an EDS is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only those shareholders that own 10% or more of that filing entity's stock must file EDSs on their own behalf.

ACKNOWLEDGMENT OF POSSIBLE CREDIT AND OTHER CHECKS: By completing and filing this EDS, the Undersigned acknowledges and agrees, on behalf of itself and the entities or individuals named in this EDS, that the City may investigate the creditworthiness of some or all of the entities or individuals named in this EDS.

CERTIFYING THIS EDS: Execute the certification on the date of the initial submission of this EDS. You may be asked to re-certify this EDS on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction.

PUBLIC DISCLOSURE: It is the City's policy to make this document available to the public on its Internet site and/or upon request.

GENERAL INFORMATION

Date this EDS is completed: July 8, 2004

A. **Who is submitting this EDS?** That individual or entity will be the "Undersigned" throughout this EDS. United Parcel Service, Inc.,
an Ohio corporation

NOTE: The Undersigned is the individual or entity submitting this EDS, whether the Undersigned is an Applicant or is an entity holding an interest in the Applicant. This EDS requires certain disclosures and certifications from Applicants that are not required from entities holding an interest in the Applicant. When completing this EDS, please observe whether the section you are completing applies only to Applicants.

Check here if the Undersigned is filing this EDS as an Applicant.

Check here if the Undersigned is filing as an entity holding an interest in an Applicant.

Also, please identify the Applicant in which this entity holds an interest:

B. Business address of the Undersigned: 55 Glenlake Parkway, NE
Atlanta, GA 30328

C. Telephone: 404-828-6438 Fax: 404-828-7024 Email: tkremeier@ups.com

D. Name of contact person: Terry Kremeier

E. Tax identification number (optional): 36-2407381

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location if applicable):

Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area.

G. Is the Matter a procurement? Yes No

H. If a procurement, Specification # _____ and Contract # _____

I. If not a procurement:

1. City Agency requesting EDS: Department of Planning and Development

2. City action requested (e.g. loan, grant, sale of property):
TIF Assistance

3. If property involved, list property location:
See Attachment "A"

SECTION ONE: DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF ENTITY

1. Indicate whether the Undersigned is an individual or legal entity:

<input type="checkbox"/> Individual	<input type="checkbox"/> Limited Liability Company
<input checked="" type="checkbox"/> Business corporation	<input type="checkbox"/> Joint venture
<input type="checkbox"/> Sole proprietorship	<input type="checkbox"/> Not-for-profit corporation

(Is the not-for-profit corporation also a 501(c)(3))?

<input type="checkbox"/> General partnership	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Limited partnership	<input type="checkbox"/> Other entity (please specify) _____

2. State of incorporation or organization, if applicable: Ohio

3. For legal entities not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

Yes No N/A

ATTACHMENT A
SUBJECT PROPERTY

The subject property is located in an area generally bounded by West 14th Street on the north, South Jefferson Street and South Canal Street on the east, the Metra railroad tracks on the south, and South Union Street on the west in Chicago, Illinois and particularly located within the following boundaries:

A line 199.93 feet south of West Roosevelt Road; South Jefferson Street; West 15th Street; a line 200.33 feet east of South Jefferson Street; a line 100.88 feet south of West 14th Place; a line 350.82 feet east of South Jefferson Street; West 14th Place; South Clinton Street; West 14th Street; South Canal Street; West 14th Place; a line 343.23 feet west of South Canal Street; a line 286.90 feet south of West 14th Place; the alley next west of and parallel to South Canal Street; a line 331.35 feet south of West 14th Place; South Canal Street; a line 445.64 feet south of West 14th Place; a line from a point 445.64 feet south of West 14th Place and 249.05 feet west of South Canal Street; to a point, 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street, to be connected by a convex arc having a radius of 535 feet; a line from a point 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street; to a point, 537.74 feet south of West 14th Place and the westerly right-of-way line of South Canal Street, to be connected by a convex arc having a radius of 535 feet; South Canal Street; a line 594.89 feet south of West 14th Place; South Union Street; West Liberty Street or the line thereof if extended where no street exists; and a line 450 feet west of and parallel to South Jefferson Street.

B. ORGANIZATION INFORMATION

1. IF THE UNDERSIGNED IS A CORPORATION:

a. List below the names and titles of all executive officers and all directors of the corporation. For not-for-profit corporations, also list below any executive director of the corporation, and indicate all members, if any, who are legal entities. If there are no such members, write "no members."

Name	Title
See Attachment "B"	

b(1). If the Matter is a procurement and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 7.5% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

b(2). If the Matter is not a procurement, and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 10% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

United Parcel Service, Inc.
List of Directors and Officers
Incorporated: Ohio
Date of Incorporation: 3/19/1934

<u>Name</u>	<u>All Titles</u>
Abney, David P.	VP
Adam, Linda R.	VP
Agresta, Maurice M.	AS AT
Ammons, Donald	VP
Anast, Pete	VP
Barth, Gary T.	AT
Beystehner, John J	VP
Boos, Michael T.	VP
Brolley, Carol K.	VP
Brooks, George W.	VP
Brothers, Jr , Norman M.	VP
Calvert, Elizabeth W.	AS
Canavan, Brendan	VP
Capozzoli, Matthew J.	VP
Carranza, Jovita	VP
Cook, Larry A	VP
Corrigan, Scott E.	VP
Cusson, Brian J.	VP
Dalton, Thomas F.	VP
Dameron, Dow D.	VP
Darden, Calvin	VP
Davis, D Scott	AS D T VP
Delbrook, Thomas W.	AT

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U S Customs Qualifying Officer

ATTACHMENT B
Valid as of 07/08/2004

Eskew, Michael L.	DC P
Feinberg, Adam J	VP
Firestone, Jeffrey D	AS
Forgue, Steven A.	VP
Fulginiti, Cheryl A.	VP
Gately, Donald W.	VP
Gibbons, Gerard G.	VP
Gill, Edwin F.	VP
Gray, Myron A.	VP
Grim, Michael A.	AT
Gummer, William C.	VP
Gutmann, Kathleen M.	VP
Harmon, Steven E	VP
Harms, Kenneth C.	VP
Harper, Cathy A.	AS
Hill, Allen E.	AT D S VP
Hill, Derrick M.	VP
Hinds, Clifford L.	AT
Hiza, Brenda J.	VP
Holmes, Jack A.	VP
Holsen, James C.	VP
Jewell, Mark D.	VP
Jones, Jr , Johnnie	VP
Kamrnski, Mike	VP
Kirby, Ronald K.	VP
Kolb, Joel E	VP
Kremeier, Terry L.	VP
Kuehn, Kurt P	VP

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U.S. Customs Qualifying Officer

ATTACHMENT B
Valid as of 07/08/2004

Lacy, Kenneth W	VP
Lustgarten, Harry	VP
MacLean, Linda M	AT
Mahoney, Christopher D.	VP
Mallard, James E.	VP
Maloney, James K.	VP
Martini, Michael	VP
Mason, Glenn T.	VP
McClure, Teri P.	VP
McDevitt, John J.	VP
McDonough, Jerry	VP
McGuire, John	VP
Meeks, Dwayne C.	VP
Merullo, Richard F.	VP
Michalik, Morris W.	VP
Miller, Cindy J.	VP
Morris, Steve	VP
Oleary, Shawn S.	VP
O'Shaughnessy, Sean D.	VP
Owens, Christine	VP
Page, Greg	VP
Perillo, Joseph T.	VP
Pica, Eugene A.	AS AT
Picone, Joseph A.	VP
Piedra, Jr., Michael J.	VP
Pojani-Martin, Christann M.	VP
Poselzny, Anthony	VP
Pyne, Joseph M	VP

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
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AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U.S. Customs Qualifying Officer

ATTACHMENT B
Valid as of 07/08/2004

Rice, Glenn S	VP	
Robinson, Tim W.	VP	
Ruiz, David	VP	
Scott, Zachary B	VP	
Seguin, Romaine M	VP	
Severson, Robert E.	VP	
Shroeger, Jennifer S	VP	
Smith, William N.	VP	
Soupatha, Lea N.	VP	
Thompson, Martin E.	VP	
Tong, Winifer P.	AS	AT
Turner, Rosemary L.	VP	
Wallace, John B.	VP	
Walsh, Carolyn J.	VP	
Watchinski, Stephen C	VP	
Welch, Huey R.	VP	
Winestock, Jim F.	VP	
Wright, Albert L.	VP	

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U S Customs Qualifying Officer

C. For corporations that are not registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
UPS Worldwide Forwarding, Inc.		100%
55 Glenlake Parkway, NE, Atlanta, GA 30282		

2. IF THE UNDERSIGNED IS A PARTNERSHIP OR JOINT VENTURE:
For general or limited partnerships or joint ventures: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
N/A		

3. IF THE UNDERSIGNED IS A LIMITED LIABILITY COMPANY:
a. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers," and indicate how the company is managed.

Name	Business Address	Percentage Interest
N/A		

b. List below the names and titles of all officers, if any. If there are no officers, write "no officers."

Name	Title
N/A	

4. IF THE UNDERSIGNED IS A LAND TRUST, BUSINESS TRUST, ESTATE OR OTHER SIMILAR ENTITY:

a. List below the name and business address of each individual or legal entity holding legal title to the property that is the subject of the trust.

Name	Business Address
N/A	

b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held.

Name	Business Address	Percentage Interest
N/A		

5. IF THE UNDERSIGNED IS ANY OTHER LEGAL ENTITY, first describe the entity, then provide the name, business address, and the percentage of interest of all individuals or legal entities having an ownership or other beneficial interest in the entity.

Describe the entity:

N/A

Name Business Address Percentage Interest

SECTION TWO: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

A. DEFINITIONS AND DISCLOSURE REQUIREMENT

1. The Undersigned must indicate whether it had a "business relationship" with a City elected official in the 12 months before the date this EDS is signed.

2. Pursuant to Chapter 2 -156 of the Municipal Code of Chicago (the "Municipal Code"), a "**business relationship**" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest," with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; but a "financial interest" does not include: (i) any ownership through purchase at fair market value or inheritance of less than 1% of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended, (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" does not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. CERTIFICATION

1. Has the Undersigned had a "business relationship" with any City elected official in the 12 months before the date this EDS is signed?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION THREE: DISCLOSURE OF RETAINED PARTIES

A. DEFINITIONS AND DISCLOSURE REQUIREMENTS

1. The Undersigned must disclose certain information about attorneys, lobbyists, accountants, consultants, subcontractors, and any other person whom the Undersigned has retained or expects to retain in connection with the Matter. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.

"Lobbyist" means any person (i) who, for compensation or on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.

2. If the Undersigned is uncertain whether a disclosure is required under this Section, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. CERTIFICATION

Each and every attorney, lobbyist, accountant, consultant, subcontractor, or other person retained or anticipated to be retained directly by the Undersigned with respect to or in connection with the Matter is listed below [begin list here, add sheets as necessary]:

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Undersigned (attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated)
<u>Retained Quarles & Brady, CitiCorp Center, Suite 3700, 500 West Madison Street,</u>	<u>Chicago, Illinois 60661</u>	<u>Attorney</u>	<u>\$270,000.00 (est.)</u>
<u>Retained Jasculca Terman & Associates, 730 North Franklin Street, Suite 510</u>	<u>Chicago, Illinois</u>	<u>Consultant</u>	<u>\$38,000.00 (est.)</u>

CHECK HERE IF NO SUCH INDIVIDUALS HAVE BEEN RETAINED BY THE UNDERSIGNED OR ARE ANTICIPATED TO BE RETAINED BY THE UNDERSIGNED.

SECTION FOUR: CERTIFICATIONS

1. CERTIFICATION OF COMPLIANCE

For purposes of the certifications in A, B, and C below, the term "affiliate" means any individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

A. The Undersigned is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Undersigned or its affiliates delinquent in paying any fine, fee, tax or other charge owed to the City. This includes all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. If there are any such delinquencies, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

B. The Undersigned and its affiliates have not, in the past five years, been found in violation of any City, state or federal environmental law or regulation. If there have been any such violations, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

C. If the Undersigned is the Applicant, the Undersigned and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

D. If the Undersigned is the Applicant, the Undersigned will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Section Four, 1, (A-C) above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Undersigned has reason to believe has not provided or cannot provide truthful certifications.

If the Undersigned is unable to make the certifications required in Section Four, paragraph I (C) and (D) above, provide an explanation:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

II. CHILD SUPPORT OBLIGATIONS - CERTIFICATION REGARDING COURT-ORDERED CHILD SUPPORT COMPLIANCE

For purposes of this part, "Substantial Owner" means any individual who, directly or indirectly, owns or holds a 10% or more interest in the Undersigned. *Note: This may include individuals disclosed in Section One (Disclosure of Ownership Interests), and individuals disclosed in an EDS filed by an entity holding an interest in the Applicant.*

If the Undersigned's response below is #1 or #2, then all of the Undersigned's Substantial Owners must remain in compliance with any such child support obligations until the Matter is completed. Failure of the Undersigned's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either #1 or #2 constitutes an event of default.

Check one:

1. No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County, Illinois or by another Illinois court of competent jurisdiction.
2. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
3. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations and (a) at least one such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; or (b) at least one such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).
4. There are no Substantial Owners.

III. FURTHER CERTIFICATIONS

A. The Undersigned and, if the Undersigned is a legal entity, its principals (officers, directors, partners, members, managers, executive director):

1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
2. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

3. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (A)(2) of this section;
4. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
5. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, in any criminal or civil action instituted by the City or by the federal government, any state, or any other unit of local government.

B. The certifications in subparts B and D concern:

- the Undersigned;
- any party participating in the performance of the Matter ("an Applicable Party");
- any "Affiliated Entity" (meaning an individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Applicable Parties, the term Affiliated Entity means an individual or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another individual or entity;
- any responsible official of the Undersigned, any Applicable Party or any Affiliated Entity or any other official, agent or employee of the Undersigned, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Undersigned, any Applicable Party or any Affiliated Entity (collectively "Agents").

Neither the Undersigned, nor any Applicable Party, nor any Affiliated Entity of either the Undersigned or any Applicable Party nor any Agents have, during the five years before the date this EDS is signed, or, with respect to an Applicable Party, an Affiliated Entity, or an Affiliated Entity of an Applicable Party during the five years before the date of such Applicable Party's or Affiliated Entity's contract or engagement in connection with the Matter:

1. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 2. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 3. made an admission of such conduct described in (1) or (2) above that is a matter of record, but have not been prosecuted for such conduct; or
 4. violated the provisions of Section 2-92-610 of the Municipal Code (Living Wage Ordinance).
- C. The Undersigned understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2 -156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).
- D. Neither the Undersigned, Affiliated Entity or Applicable Party, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
- E. If the Undersigned is unable to certify to any of the above statements in this Part I 11, the Undersigned must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

IV. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part IV, under Section 2-32-455(b) of the Municipal Code, the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. [Additional definitions may be found in Section 2-32-455(b) of the Municipal Code.]

A. CERTIFICATION

The Undersigned certifies that the Undersigned [check one]

 is
 X is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

B. If the Undersigned IS a financial institution, then the Undersigned pledges:

"We are not and will not become a predatory lender as defined in Chapter 2 -32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of, doing business with the City."

If the Undersigned is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2 -32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

V. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part V.

- 1. In accordance with Section 2-156-110 of the Municipal Code:
Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person in the Matter?
 Yes No

NOTE: If you answered "No" to Item V(1), you are not required to answer Items V(2) or (3) below. Instead, review the certification in Item V(4) and then proceed to Part VI. If you answered "Yes" to Item V(1), you must first respond to Item V(2) and provide the information requested in Item V(3). After responding to those items, review the certification in Item V(4) and proceed to Part V11.

- 2. Unless sold pursuant to a process of competitive bidding, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part V.

Does the Matter involve a City Property Sale?
 Yes No

- 3. If you answered "yes" to Item V(1), provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Undersigned further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

VI. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Undersigned must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

Please check either (1) or (2) below. If the Undersigned checks (2), the Undersigned must disclose below or in an attachment to this EDS all requisite information as set forth in that paragraph (2).

 X 1. The Undersigned verifies that (a) the Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Undersigned has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

 2. The Undersigned verifies that, as a result of conducting the search in step (1)(a) above, the Undersigned has found records relating to investments or profits from slavery, the slave industry, or slaveholder insurance policies and/or the names of any slaves or slaveholders. The Undersigned verifies that the following constitutes full disclosure of all such records:

SECTION FIVE: CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

1. CERTIFICATION REGARDING LOBBYING

A. List below the names of all individuals registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Undersigned with respect to the Matter: [Begin list here, add sheets as necessary]:

None

[If no explanation appears or begins on the lines above, or if the letters "NA " or if the word "None" appear, it will be conclusively presumed that the Undersigned means that NO individuals registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Undersigned with respect to the Matter.]

B. The Undersigned has not spent and will not expend any federally appropriated funds to pay any individual listed in Paragraph (A) above for his or her lobbying activities or to pay any individual to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

C. The Undersigned will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs I(A) and I(B) above.

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any individual for influencing or attempting to influence an officer or employee of any agency (as defined by applicable federal law), a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the Matter, the Undersigned must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sflllin.pd> linked on the page http://www.whitehouse.gov/omb/grants/grants_forms.html.

D. The Undersigned certifies that either (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

E. If the Undersigned is the Applicant, the Undersigned must obtain certifications equal in form and substance to paragraphs I(A) through I(D) above from all subcontractors before it awards any subcontract and the Undersigned must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

II. CERTIFICATION REGARDING NONSEGREGATED FACILITIES

A. If the Undersigned is the Applicant, the Undersigned does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained.

"Segregated facilities," as used in this provision, means any waiting rooms, work areas, restrooms, washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of habit, local or employee custom, or otherwise.

However, separated or single-user restrooms and necessary dressing or sleeping areas must be provided to assure privacy between the sexes.

B. If the Undersigned is the Applicant and the Matter is federally funded, the Undersigned will, before the award of subcontracts (if any), obtain identical certifications from proposed subcontractors under which the subcontractor will be subject to the Equal Opportunity Clause. Contracts and subcontracts exceeding \$10,000, or having an aggregate value exceeding \$10,000 in any 12-month period, are generally subject to the Equal Opportunity Clause. See 41 CFR Part 60 for further information regarding the Equal Opportunity Clause. The Undersigned must retain the certifications required by this paragraph (B) for the duration of the contract (if any) and must make such certifications promptly available to the City upon request.

C. If the Undersigned is the Applicant and the Matter is federally funded, the Applicant will forward the notice set forth below to proposed subcontractors:

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

Subcontractors must submit to the Contractor a Certification of Nonsegregated Facilities before the award of any subcontract under which the subcontractor will be subject to the federal Equal Opportunity Clause. The subcontractor may submit such certifications either for each subcontract or for all subcontracts during a period (e.g., quarterly, semiannually, or annually).

III. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

Federal regulations require prospective contractors for federally funded Matters (e.g., the Applicant) and proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations. **(NOTE: This Part III is to be completed only if the Undersigned is the Applicant.)**

- A. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
 Yes No N/A
- B. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
 Yes No N/A
- C. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
 Yes No N/A

SECTION SIX: NOTICE AND ACKNOWLEDGMENT REGARDING CITY GOVERNMENTAL ETHICS AND CAMPAIGN FINANCE ORDINANCES

The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on individuals or entities seeking City contracts, work, business, or transactions. The Board of Ethics has developed an ethics training program for such individuals and entities. The full text of these ordinances and the training program is available on line at www.cityofchicago.org/Ethics/, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The following is descriptive only and does not purport to cover every aspect of Chapters 2-156 and 2-164 of the Municipal Code. The Undersigned must comply fully with the applicable ordinances.

[X] BY CHECKING THIS BOX THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED UNDERSTANDS THAT THE CITY'S GOVERNMENTAL ETHICS AND CAMPAIGN FINANCING ORDINANCES, AMONG OTHER THINGS:

- 1) Provide that any contract negotiated, entered into or performed in violation of the City's ethics laws can be voided by the City.
- 2) Limit the gifts and favors any individual or entity can give, or offer to give, to any City official, employee, contractor or candidate for elected City office or the spouse or minor child of any of them, including:
 - a. any cash gift or any anonymous gift; and
 - b. any gift based on a mutual understanding that the City official's or employee's or City contractor's actions or decisions will be influenced in any way by the gift.
- 3) Prohibit any City elected official or City employee from having a financial interest, directly or indirectly, in any contract, work, transaction or business of the City, if that interest has a cost or present value of \$5,000 or more, or if that interest entitles the owner to receive more than \$2,500 per year.
- 4) Prohibit any appointed City official from engaging in any contract, work, transaction or business of the City, unless the matter is wholly unrelated to the appointed official's duties or responsibilities.
- 5) Provide that City employees and officials, or their spouses or minor children, cannot receive compensation or anything of value in return for advice or assistance on matters concerning the operation or business of the City, unless their services are wholly unrelated to their City duties and responsibilities.
- 6) Provide that former City employees and officials cannot, for a period of one year after their City employment ceases, assist or represent another on any matter involving the City if, while with the City, they were personally and substantially involved in the same matter.

- 7) Provide that former City employees and officials cannot ever assist or represent another on a City contract if, while with the City, they were personally involved in or directly supervised the formulation, negotiation or execution of that contract.

SECTION SEVEN: CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Undersigned understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Undersigned understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded, void or voidable), at law, or in equity, including terminating the Undersigned's participation in the Matter and/or declining to allow the Undersigned to participate in other transactions with the City.

C. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

D. The Undersigned has not withheld or reserved any disclosures as to economic interests in the Undersigned, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

E. The information provided in this EDS must be kept current. In the event of changes, the Undersigned must supplement this EDS up to the time the City takes action on the Matter.

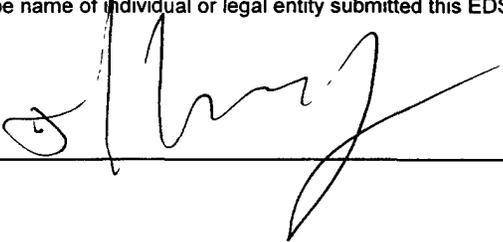
CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Undersigned, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

United Parcel Service, Inc., an Ohio corporation
(Print or type name of individual or legal entity submitted this EDS)

Date: July 8, 2004

By:


(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] July 8, 2004, at Fulton County, Georgia.

Jean H. Kohn Notary Public

Commission expires: Notary Public, Fulton County, Georgia
~~My Commission Expires Mar. 5, 2006.~~

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

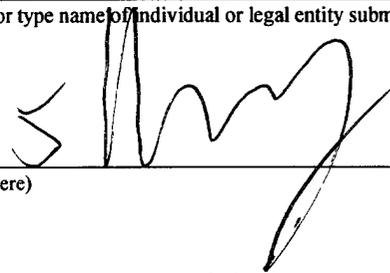
Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgements.

United Parcel Service, Inc., an Ohio corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: October 8, 2004

By:



(sign here)

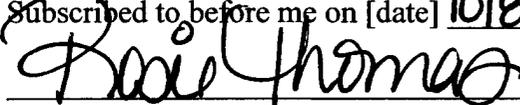
Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] 10/8/04, at Fulton County, Georgia [state].



Notary Public

Commission expires: _____
ROSIE THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires March 17, 2006

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgements.

United Parcel Service, Inc., an Ohio corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: August 30, 2004

By:

(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on August 30th, 2004 at Fulton County, Georgia [state].

Rose Thomas Notary Public

Commission expires:

**ROSE THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires March 17, 2006**

QBCHI3836863

UPS Worldwide
Forwarding, INC, a
Delaware Corporation
July 8, 2004

FOR CITY USE

AFFIDAVIT NO. _____

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT**

The City of Chicago (the "City") requires disclosure of the information requested in this Economic Disclosure Statement and Affidavit ("EDS") before any City agency, department or City Council action regarding the matter that is the subject of this EDS. Please fully complete each statement, with all information current as of the date this EDS is signed. If a question is not applicable, answer with "N.A." **An incomplete EDS will be returned and any City action will be interrupted.**

Please **print or type** all responses clearly and legibly. Add additional pages if needed, being careful to identify the portion of the EDS to which each additional page refers.

WHO MUST SUBMIT AN EDS:

1. **Applicants:** Any individual or entity (the "Applicant") making an application to the City for action requiring City Council or other City agency approval must file this EDS.

2. **Entities holding an interest in the Applicants:** Generally, whenever an ownership interest in the Applicant (for example, shares of stock of the Applicant or a limited partnership interest in the Applicant) is held or owned by a legal entity (for example, a corporation or partnership, rather than an individual) each such legal entity must also file an EDS on its own behalf, and any parent of that legal entity must do so until individual owners are disclosed. **However**, if an entity filing an EDS is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only those shareholders that own 10% or more of that filing entity's stock must file EDSs on their own behalf.

ACKNOWLEDGMENT OF POSSIBLE CREDIT AND OTHER CHECKS: By completing and filing this EDS, the Undersigned acknowledges and agrees, on behalf of itself and the entities or individuals named in this EDS, that the City may investigate the creditworthiness of some or all of the entities or individuals named in this EDS.

CERTIFYING THIS EDS: Execute the certification on the date of the initial submission of this EDS. You may be asked to re-certify this EDS on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction.

PUBLIC DISCLOSURE: It is the City's policy to make this document available to the public on its Internet site and/or upon request.

GENERAL INFORMATION

Date this EDS is completed: July 8, 2004

A. **Who is submitting this EDS?** That individual or entity will be the "Undersigned" throughout this EDS. UPS Worldwide Forwarding, Inc., a Delaware corporation

NOTE: The Undersigned is the individual or entity submitting this EDS, whether the Undersigned is an Applicant or is an entity holding an interest in the Applicant. This EDS requires certain disclosures and certifications from Applicants that are not required from entities holding an interest in the Applicant. When completing this EDS, please observe whether the section you are completing applies only to Applicants.

- Check here if the Undersigned is filing this EDS as an Applicant.
- Check here if the Undersigned is filing as an entity holding an interest in an Applicant.

Also, please identify the Applicant in which this entity holds an interest:
Undersigned owns a 100% interest in the Applicant, United Parcel Service, Inc., an Ohio corporation

B. Business address of the Undersigned: 55 Glenlake Parkway, NE
Atlanta, GA 30328

C. Telephone: 404-828-6438 Fax: 404-828-7024 Email: tkremeier@ups.com

D. Name of contact person: Terry Kremeier

E. Tax identification number (optional): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location if applicable):

Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area.

G. Is the Matter a procurement? Yes No

H. If a procurement, Specification # _____ and Contract # _____

I. If not a procurement:

1. City Agency requesting EDS: Department of Planning and Development

2. City action requested (e.g. loan, grant, sale of property):

TIF Assistance

3. If property involved, list property location:

See Attachment "A"

SECTION ONE: DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF ENTITY

1. Indicate whether the Undersigned is an individual or legal entity:

Individual

Limited Liability Company

Business corporation

Joint venture

Sole proprietorship

Not-for-profit corporation

(Is the not-for-profit corporation also a

501(c)(3))?

Yes No

General partnership

Other entity (please specify)

Limited partnership

2. State of incorporation or organization, if applicable: Delaware

3. For legal entities not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

Yes

No

N/A

ATTACHMENT A
SUBJECT PROPERTY

The subject property is located in an area generally bounded by West 14th Street on the north, South Jefferson Street and South Canal Street on the east, the Metra railroad tracks on the south, and South Union Street on the west in Chicago, Illinois and particularly located within the following boundaries:

A line 199.93 feet south of West Roosevelt Road; South Jefferson Street; West 15th Street; a line 200.33 feet east of South Jefferson Street; a line 100.88 feet south of West 14th Place; a line 350.82 feet east of South Jefferson Street; West 14th Place; South Clinton Street; West 14th Street; South Canal Street; West 14th Place; a line 343.23 feet west of South Canal Street; a line 286.90 feet south of West 14th Place; the alley next west of and parallel to South Canal Street; a line 331.35 feet south of West 14th Place; South Canal Street; a line 445.64 feet south of West 14th Place; a line from a point 445.64 feet south of West 14th Place and 249.05 feet west of South Canal Street; to a point, 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street, to be connected by a convex arc having a radius of 535 feet; a line from a point 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street; to a point, 537.74 feet south of West 14th Place and the westerly right-of-way line of South Canal Street, to be connected by a convex arc having a radius of 535 feet; South Canal Street; a line 594.89 feet south of West 14th Place; South Union Street; West Liberty Street or the line thereof if extended where no street exists; and a line 450 feet west of and parallel to South Jefferson Street.

B. ORGANIZATION INFORMATION

1. IF THE UNDERSIGNED IS A CORPORATION:

a. List below the names and titles of all executive officers and all directors of the corporation. For not-for-profit corporations, also list below any executive director of the corporation, and indicate all members, if any, who are legal entities. If there are no such members, write "no members."

Name	Title
See Attachment "B"	

b(1). If the Matter is a procurement and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 7.5% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

b(2). If the Matter is not a procurement, and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 10% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

UPS Worldwide Forwarding, Inc.
List of Directors and Officers
Incorporated: Delaware
Date of Incorporation: 8/12/1988

<u>Name</u>	<u>All Titles</u>
Abney, David P.	D VP
Agresta, Maurice M	AS AT VP
Beystehner, John J.	VP
Brothers, Jr , Norman M	VP
Calvert, Elizabeth W.	AS
Camejo, Jr., Richard G	VP
Capozzoli, Matthew J	VP
Casey, Scott C.	AS
Davis, D. Scott	AS D T VP
Delbrook, Thomas W	AT
Eskew, Michael L.	DC P
Firestone, Jeffrey D	AS
Flick, Wolfgang	VP
Flowers, Stephen D.	VP
Grim, Michael A	AT
Harper, Cathy A.	AS
Hill, Allen E	AT D S VP
Lekites, Robert	VP
Manhart, Joseph	VP
McCloud, Mark	AT VP
Mensing, H. Michael	VP
Nicomini, Robert A	AT
Pica, Eugene A.	AS AT

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U S Customs Qualifying Officer

Tong, Winifer P.	AS	AT
Torok, Kenneth A.	VP	
Wallace, J. Burton	VP	

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U.S. Customs Qualifying Officer

C. For corporations that are not registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
United Parcel Service of America, Inc.	55 Glenlake Parkway, NE, Atlanta, GA 30328	100%

2. IF THE UNDERSIGNED IS A PARTNERSHIP OR JOINT VENTURE:
 For general or limited partnerships or joint ventures: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
N/A		

3. IF THE UNDERSIGNED IS A LIMITED LIABILITY COMPANY:
 a. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers," and indicate how the company is managed.

Name	Business Address	Percentage Interest
N/A		

b. List below the names and titles of all officers, if any. If there are no officers, write "no officers."

Name	Title
N/A	

4. IF THE UNDERSIGNED IS A LAND TRUST, BUSINESS TRUST, ESTATE OR OTHER SIMILAR ENTITY:

a. List below the name and business address of each individual or legal entity holding legal title to the property that is the subject of the trust.

Name	Business Address
N/A	

b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held.

Name	Business Address	Percentage Interest
N/A		

5. IF THE UNDERSIGNED IS ANY OTHER LEGAL ENTITY, first describe the entity, then provide the name, business address, and the percentage of interest of all individuals or legal entities having an ownership or other beneficial interest in the entity.

Describe the entity:

N/A

Name Business Address Percentage Interest

SECTION TWO: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

A. DEFINITIONS AND DISCLOSURE REQUIREMENT

1. The Undersigned must indicate whether it had a "business relationship" with a City elected official in the 12 months before the date this EDS is signed.

2. Pursuant to Chapter 2 -156 of the Municipal Code of Chicago (the "Municipal Code"), a "**business relationship**" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest," with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; but a "financial interest" does not include: (i) any ownership through purchase at fair market value or inheritance of less than 1% of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended, (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" does not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. CERTIFICATION

1. Has the Undersigned had a "business relationship" with any City elected official in the 12 months before the date this EDS is signed?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION THREE: DISCLOSURE OF RETAINED PARTIES

A. DEFINITIONS AND DISCLOSURE REQUIREMENTS

1. The Undersigned must disclose certain information about attorneys, lobbyists, accountants, consultants, subcontractors, and any other person whom the Undersigned has retained or expects to retain in connection with the Matter. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.

"Lobbyist" means any person (i) who, for compensation or on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.

2. If the Undersigned is uncertain whether a disclosure is required under this Section, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. CERTIFICATION

Each and every attorney, lobbyist, accountant, consultant, subcontractor, or other person retained or anticipated to be retained directly by the Undersigned with respect to or in connection with the Matter is listed below [begin list here, add sheets as necessary]:

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Undersigned (attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated)
<u>Retained Quarles & Brady, CitiCorp Center, Suite 3700, 500 West Madison Street,</u>			
<u>Chicago, Illinois 60661</u>		<u>Attorney</u>	<u>\$270,000.00 (est.)</u>
<u>Retained Jasculca Terman & Associates, 730 North Franklin Street, Suite 510</u>			
<u>Chicago, Illinois</u>		<u>Consultant</u>	<u>\$38,000.00 (est.)</u>

CHECK HERE IF NO SUCH INDIVIDUALS HAVE BEEN RETAINED BY THE UNDERSIGNED OR ARE ANTICIPATED TO BE RETAINED BY THE UNDERSIGNED.

SECTION FOUR: CERTIFICATIONS

1. CERTIFICATION OF COMPLIANCE

For purposes of the certifications in A, B, and C below, the term "affiliate" means any individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

A. The Undersigned is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Undersigned or its affiliates delinquent in paying any fine, fee, tax or other charge owed to the City. This includes all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. If there are any such delinquencies, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

B. The Undersigned and its affiliates have not, in the past five years, been found in violation of any City, state or federal environmental law or regulation. If there have been any such violations, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

C. If the Undersigned is the Applicant, the Undersigned and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

D. If the Undersigned is the Applicant, the Undersigned will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Section Four, 1, (A-C) above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Undersigned has reason to believe has not provided or cannot provide truthful certifications.

If the Undersigned is unable to make the certifications required in Section Four, paragraph I (C) and (D) above, provide an explanation:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

II. CHILD SUPPORT OBLIGATIONS - CERTIFICATION REGARDING COURT-ORDERED CHILD SUPPORT COMPLIANCE

For purposes of this part, "Substantial Owner" means any individual who, directly or indirectly, owns or holds a 10% or more interest in the Undersigned. *Note: This may include individuals disclosed in Section One (Disclosure of Ownership Interests), and individuals disclosed in an EDS filed by an entity holding an interest in the Applicant.*

If the Undersigned's response below is #1 or #2, then all of the Undersigned's Substantial Owners must remain in compliance with any such child support obligations until the Matter is completed. Failure of the Undersigned's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either #1 or #2 constitutes an event of default.

Check one:

1. No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County, Illinois or by another Illinois court of competent jurisdiction.
2. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
3. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations and (a) at least one such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; or (b) at least one such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).
4. There are no Substantial Owners.

III. FURTHER CERTIFICATIONS

A. The Undersigned and, if the Undersigned is a legal entity, its principals (officers, directors, partners, members, managers, executive director):

1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
2. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

3. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (A)(2) of this section;
4. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
5. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, in any criminal or civil action instituted by the City or by the federal government, any state, or any other unit of local government.

B. The certifications in subparts B and D concern:

- the Undersigned;
- any party participating in the performance of the Matter ("an Applicable Party");
- any "Affiliated Entity" (meaning an individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Applicable Parties, the term Affiliated Entity means an individual or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another individual or entity;
- any responsible official of the Undersigned, any Applicable Party or any Affiliated Entity or any other official, agent or employee of the Undersigned, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Undersigned, any Applicable Party or any Affiliated Entity (collectively "Agents").

Neither the Undersigned, nor any Applicable Party, nor any Affiliated Entity of either the Undersigned or any Applicable Party nor any Agents have, during the five years before the date this EDS is signed, or, with respect to an Applicable Party, an Affiliated Entity, or an Affiliated Entity of an Applicable Party during the five years before the date of such Applicable Party's or Affiliated Entity's contract or engagement in connection with the Matter:

1. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 2. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 3. made an admission of such conduct described in (1) or (2) above that is a matter of record, but have not been prosecuted for such conduct; or
 4. violated the provisions of Section 2-92-610 of the Municipal Code (Living Wage Ordinance).
- C. The Undersigned understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2 -156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).
- D. Neither the Undersigned, Affiliated Entity or Applicable Party, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
- E. If the Undersigned is unable to certify to any of the above statements in this Part I 11, the Undersigned must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

IV. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part IV, under Section 2-32-455(b) of the Municipal Code, the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. [Additional definitions may be found in Section 2-32-455(b) of the Municipal Code.]

A. CERTIFICATION

The Undersigned certifies that the Undersigned [check one]

_____ is
 X is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

B. If the Undersigned IS a financial institution, then the Undersigned pledges:

"We are not and will not become a predatory lender as defined in Chapter 2 -32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of, doing business with the City."

If the Undersigned is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2 -32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

V. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part V.

- 1. In accordance with Section 2-156-110 of the Municipal Code:
Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person in the Matter?
 Yes No

NOTE: If you answered "No" to Item V(1), you are not required to answer Items V(2) or (3) below. Instead, review the certification in Item V(4) and then proceed to Part VI. If you answered "Yes" to Item V(1), you must first respond to Item V(2) and provide the information requested in Item V(3). After responding to those items, review the certification in Item V(4) and proceed to Part V11.

- 2. Unless sold pursuant to a process of competitive bidding, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part V.

Does the Matter involve a City Property Sale?
 Yes No

- 3. If you answered "yes" to Item V(1), provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. The Undersigned further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

VI. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Undersigned must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

Please check either (1) or (2) below. If the Undersigned checks (2), the Undersigned must disclose below or in an attachment to this EDS all requisite information as set forth in that paragraph (2).

 X 1. The Undersigned verifies that (a) the Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Undersigned has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

 2. The Undersigned verifies that, as a result of conducting the search in step (1)(a) above, the Undersigned has found records relating to investments or profits from slavery, the slave industry, or slaveholder insurance policies and/or the names of any slaves or slaveholders. The Undersigned verifies that the following constitutes full disclosure of all such records:

SECTION FIVE: CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

1. CERTIFICATION REGARDING LOBBYING

A. List below the names of all individuals registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Undersigned with respect to the Matter: [Begin list here, add sheets as necessary]:

None

[If no explanation appears or begins on the lines above, or if the letters "NA " or if the word "None" appear, it will be conclusively presumed that the Undersigned means that NO individuals registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Undersigned with respect to the Matter.]

B. The Undersigned has not spent and will not expend any federally appropriated funds to pay any individual listed in Paragraph (A) above for his or her lobbying activities or to pay any individual to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

C. The Undersigned will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs I(A) and I(B) above.

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any individual for influencing or attempting to influence an officer or employee of any agency (as defined by applicable federal law), a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the Matter, the Undersigned must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sfillin.pd> linked on the page http://www.whitehouse.gov/omb/grants/grants_forms.html.

D. The Undersigned certifies that either (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

E. If the Undersigned is the Applicant, the Undersigned must obtain certifications equal in form and substance to paragraphs I(A) through I(D) above from all subcontractors before it awards any subcontract and the Undersigned must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

II. CERTIFICATION REGARDING NONSEGREGATED FACILITIES

A. If the Undersigned is the Applicant, the Undersigned does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained.

"Segregated facilities," as used in this provision, means any waiting rooms, work areas, restrooms, washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of habit, local or employee custom, or otherwise.

However, separated or single-user restrooms and necessary dressing or sleeping areas must be provided to assure privacy between the sexes.

B. If the Undersigned is the Applicant and the Matter is federally funded, the Undersigned will, before the award of subcontracts (if any), obtain identical certifications from proposed subcontractors under which the subcontractor will be subject to the Equal Opportunity Clause. Contracts and subcontracts exceeding \$10,000, or having an aggregate value exceeding \$10,000 in any 12-month period, are generally subject to the Equal Opportunity Clause. See 41 CFR Part 60 for further information regarding the Equal Opportunity Clause. The Undersigned must retain the certifications required by this paragraph (B) for the duration of the contract (if any) and must make such certifications promptly available to the City upon request.

C. If the Undersigned is the Applicant and the Matter is federally funded, the Applicant will forward the notice set forth below to proposed subcontractors:

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

Subcontractors must submit to the Contractor a Certification of Nonsegregated Facilities before the award of any subcontract under which the subcontractor will be subject to the federal Equal Opportunity Clause. The subcontractor may submit such certifications either for each subcontract or for all subcontracts during a period (e.g., quarterly, semiannually, or annually).

III. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

Federal regulations require prospective contractors for federally funded Matters (e.g., the Applicant) and proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations. **(NOTE: This Part III is to be completed only if the Undersigned is the Applicant.)**

- A. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
 Yes No N/A
- B. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
 Yes No N/A
- C. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
 Yes No N/A

SECTION SIX: NOTICE AND ACKNOWLEDGMENT REGARDING CITY GOVERNMENTAL ETHICS AND CAMPAIGN FINANCE ORDINANCES

The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on individuals or entities seeking City contracts, work, business, or transactions. The Board of Ethics has developed an ethics training program for such individuals and entities. The full text of these ordinances and the training program is available on line at www.cityofchicago.org/Ethics/, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The following is descriptive only and does not purport to cover every aspect of Chapters 2-156 and 2-164 of the Municipal Code. The Undersigned must comply fully with the applicable ordinances.

[X] BY CHECKING THIS BOX THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED UNDERSTANDS THAT THE CITY'S GOVERNMENTAL ETHICS AND CAMPAIGN FINANCING ORDINANCES, AMONG OTHER THINGS:

- 1) Provide that any contract negotiated, entered into or performed in violation of the City's ethics laws can be voided by the City.
- 2) Limit the gifts and favors any individual or entity can give, or offer to give, to any City official, employee, contractor or candidate for elected City office or the spouse or minor child of any of them, including:
 - a. any cash gift or any anonymous gift; and
 - b. any gift based on a mutual understanding that the City official's or employee's or City contractor's actions or decisions will be influenced in any way by the gift.
- 3) Prohibit any City elected official or City employee from having a financial interest, directly or indirectly, in any contract, work, transaction or business of the City, if that interest has a cost or present value of \$5,000 or more, or if that interest entitles the owner to receive more than \$2,500 per year.
- 4) Prohibit any appointed City official from engaging in any contract, work, transaction or business of the City, unless the matter is wholly unrelated to the appointed official's duties or responsibilities.
- 5) Provide that City employees and officials, or their spouses or minor children, cannot receive compensation or anything of value in return for advice or assistance on matters concerning the operation or business of the City, unless their services are wholly unrelated to their City duties and responsibilities.
- 6) Provide that former City employees and officials cannot, for a period of one year after their City employment ceases, assist or represent another on any matter involving the City if, while with the City, they were personally and substantially involved in the same matter.

- 7) Provide that former City employees and officials cannot ever assist or represent another on a City contract if, while with the City, they were personally involved in or directly supervised the formulation, negotiation or execution of that contract.

SECTION SEVEN: CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Undersigned understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Undersigned understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded, void or voidable), at law, or in equity, including terminating the Undersigned's participation in the Matter and/or declining to allow the Undersigned to participate in other transactions with the City.

C. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

D. The Undersigned has not withheld or reserved any disclosures as to economic interests in the Undersigned, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

E. The information provided in this EDS must be kept current. In the event of changes, the Undersigned must supplement this EDS up to the time the City takes action on the Matter.

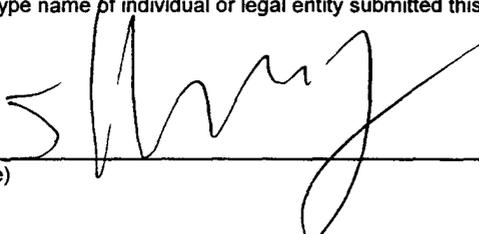
CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Undersigned, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

UPS Worldwide Forwarding, Inc.
(Print or type name of individual or legal entity submitted this EDS)

Date: July 8, 2004

By:


(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] July 8, 2004, at Fulton County, Georgia.

Jean H. Rolen Notary Public

Commission expires: Notary Public, Fulton County, Georgia
~~My Commission Expires Mar. 5, 2006~~

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

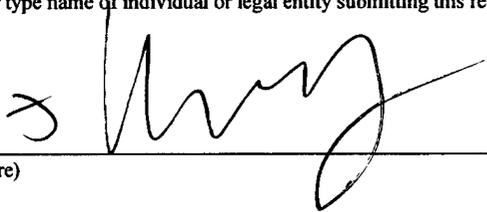
Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgements.

UPS Worldwide Forwarding, Inc., a Delaware corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: October 8, 2004

By:



(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] 10/8/04, at Fulton County, Georgia [state].

Rosie Thomas Notary Public

Commission expires: _____
ROSIE THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia

My Comm. Expires March 17, 2006

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgements.

UPS Worldwide Forwarding, Inc., a Delaware corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: August 30, 2004

By:

(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] Aug 30, 2004, at Fulton County, Georgia [state].

Rose Thomas Notary Public

Commission expires:

**ROSE THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires March 17, 2008**

QBCHN33686.4

United Parcel Service
of America, Inc.,
a Delaware
Corporation

FOR CITY USE

AFFIDAVIT NO. _____

July 8, 2004

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT**

The City of Chicago (the "City") requires disclosure of the information requested in this Economic Disclosure Statement and Affidavit ("EDS") before any City agency, department or City Council action regarding the matter that is the subject of this EDS. Please fully complete each statement, with all information current as of the date this EDS is signed. If a question is not applicable, answer with "N.A." **An incomplete EDS will be returned and any City action will be interrupted.**

Please **print or type** all responses clearly and legibly. Add additional pages if needed, being careful to identify the portion of the EDS to which each additional page refers.

WHO MUST SUBMIT AN EDS:

1. **Applicants:** Any individual or entity (the "Applicant") making an application to the City for action requiring City Council or other City agency approval must file this EDS.
2. **Entities holding an interest in the Applicants:** Generally, whenever an ownership interest in the Applicant (for example, shares of stock of the Applicant or a limited partnership interest in the Applicant) is held or owned by a legal entity (for example, a corporation or partnership, rather than an individual) each such legal entity must also file an EDS on its own behalf, and any parent of that legal entity must do so until individual owners are disclosed. **However**, if an entity filing an EDS is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only those shareholders that own 10% or more of that filing entity's stock must file EDSs on their own behalf.

ACKNOWLEDGMENT OF POSSIBLE CREDIT AND OTHER CHECKS: By completing and filing this EDS, the Undersigned acknowledges and agrees, on behalf of itself and the entities or individuals named in this EDS, that the City may investigate the creditworthiness of some or all of the entities or individuals named in this EDS.

CERTIFYING THIS EDS: Execute the certification on the date of the initial submission of this EDS. You may be asked to re-certify this EDS on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction.

PUBLIC DISCLOSURE: It is the City's policy to make this document available to the public on its Internet site and/or upon request.

GENERAL INFORMATION

Date this EDS is completed: July 8, 2004

A. **Who is submitting this EDS?** That individual or entity will be the "Undersigned" throughout this EDS. United Parcel Service of America, Inc.,
a Delaware corporation

NOTE: The Undersigned is the individual or entity submitting this EDS, whether the Undersigned is an Applicant or is an entity holding an interest in the Applicant. This EDS requires certain disclosures and certifications from Applicants that are not required from entities holding an interest in the Applicant. When completing this EDS, please observe whether the section you are completing applies only to Applicants.

- Check here if the Undersigned is filing this EDS as an Applicant.
- Check here if the Undersigned is filing as an entity holding an interest in an Applicant.

Also, please identify the Applicant in which this entity holds an interest:
Undersigned owns a 100% interest in UPS Worldwide Forwarding, Inc.,
which owns a 100% interest in Applicant, United Parcel Service,
Inc., an Ohio corporation

B. Business address of the Undersigned: 55 Glenlake Parkway, NE
Atlanta, GA 30328

C. Telephone: 404-828-6438 Fax: 404-828-7024 Email: tkremeier@ups.com

D. Name of contact person: Terry Kremeier

E. Tax identification number (optional): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location if applicable):

Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area

G. Is the Matter a procurement? Yes No

H. If a procurement, Specification # _____ and Contract # _____

I. If not a procurement:

1. City Agency requesting EDS: Department of Planning and Development

2. City action requested (e.g. loan, grant, sale of property):
TIF Assistance

3. If property involved, list property location:
See Attachment "A"

SECTION ONE: DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF ENTITY

1. Indicate whether the Undersigned is an individual or legal entity:

<input type="checkbox"/> Individual	<input type="checkbox"/> Limited Liability Company
<input checked="" type="checkbox"/> Business corporation	<input type="checkbox"/> Joint venture
<input type="checkbox"/> Sole proprietorship	<input type="checkbox"/> Not-for-profit corporation

(Is the not-for-profit corporation also a

501(c)(3)?)

<input type="checkbox"/> General partnership	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Limited partnership	<input type="checkbox"/> Other entity (please specify)
	<input type="checkbox"/> _____

2. State of incorporation or organization, if applicable: Delaware

3. For legal entities not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

Yes No N/A

ATTACHMENT A
SUBJECT PROPERTY

The subject property is located in an area generally bounded by West 14th Street on the north, South Jefferson Street and South Canal Street on the east, the Metra railroad tracks on the south, and South Union Street on the west in Chicago, Illinois and particularly located within the following boundaries:

A line 199.93 feet south of West Roosevelt Road; South Jefferson Street; West 15th Street; a line 200.33 feet east of South Jefferson Street; a line 100.88 feet south of West 14th Place; a line 350.82 feet east of South Jefferson Street; West 14th Place; South Clinton Street; West 14th Street; South Canal Street; West 14th Place; a line 343.23 feet west of South Canal Street; a line 286.90 feet south of West 14th Place; the alley next west of and parallel to South Canal Street; a line 331.35 feet south of West 14th Place; South Canal Street; a line 445.64 feet south of West 14th Place; a line from a point 445.64 feet south of West 14th Place and 249.05 feet west of South Canal Street; to a point, 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street, to be connected by a convex arc having a radius of 535 feet; a line from a point 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street; to a point, 537.74 feet south of West 14th Place and the westerly right-of-way line of South Canal Street, to be connected by a convex arc having a radius of 535 feet; South Canal Street; a line 594.89 feet south of West 14th Place; South Union Street; West Liberty Street or the line thereof if extended where no street exists; and a line 450 feet west of and parallel to South Jefferson Street.

B. ORGANIZATION INFORMATION

1. IF THE UNDERSIGNED IS A CORPORATION:

a. List below the names and titles of all executive officers and all directors of the corporation. For not-for-profit corporations, also list below any executive director of the corporation, and indicate all members, if any, who are legal entities. If there are no such members, write "no members."

Name	Title
See Attachment "B"	

b(1). If the Matter is a procurement and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 7.5% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

b(2). If the Matter is not a procurement, and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 10% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

United Parcel Service of America, Inc.
List of Directors and Officers
Incorporated: Delaware
Date of Incorporation: 5/9/1930

<u>Name</u>	<u>All Titles</u>
Agresta, Maurice M	AS AT
Barth, Gary T	AT
Calvert, Elizabeth W.	AS
Capozzoli, Matthew J	AS
Davis, D. Scott	AS D T
Delbrook, Thomas W	AT
Eskew, Michael L.	DC P
Firestone, Jeffrey D	AS
Harper, Cathy A.	AS
Hill, Allen E	AT D S
Pica, Eugene A	AS AT
Tong, Winifer P	AS AT

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U.S. Customs Qualifying Officer

C. For corporations that are not registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
United Parcel Service, Inc., a Delaware corporation	55 Glenlake Parkway, NE, Atlanta, GA 30328	100%

2. IF THE UNDERSIGNED IS A PARTNERSHIP OR JOINT VENTURE:
 For general or limited partnerships or joint ventures: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
N/A		

3. IF THE UNDERSIGNED IS A LIMITED LIABILITY COMPANY:
 a. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers," and indicate how the company is managed.

Name	Business Address	Percentage Interest
N/A		

b. List below the names and titles of all officers, if any. If there are no officers, write "no officers."

Name	Title
N/A	

4. IF THE UNDERSIGNED IS A LAND TRUST, BUSINESS TRUST, ESTATE OR OTHER SIMILAR ENTITY:

a. List below the name and business address of each individual or legal entity holding legal title to the property that is the subject of the trust.

Name	Business Address
N/A	

b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held.

Name	Business Address	Percentage Interest
N/A		

5. IF THE UNDERSIGNED IS ANY OTHER LEGAL ENTITY, first describe the entity, then provide the name, business address, and the percentage of interest of all individuals or legal entities having an ownership or other beneficial interest in the entity.

Describe the entity:

N/A

Name Business Address Percentage Interest

SECTION TWO: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

A. DEFINITIONS AND DISCLOSURE REQUIREMENT

1. The Undersigned must indicate whether it had a "business relationship" with a City elected official in the 12 months before the date this EDS is signed.

2. Pursuant to Chapter 2 -156 of the Municipal Code of Chicago (the "Municipal Code"), a "**business relationship**" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest," with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; but a "financial interest" does not include: (i) any ownership through purchase at fair market value or inheritance of less than 1% of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended, (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" does not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. CERTIFICATION

1. Has the Undersigned had a "business relationship" with any City elected official in the 12 months before the date this EDS is signed?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION THREE: DISCLOSURE OF RETAINED PARTIES

A. DEFINITIONS AND DISCLOSURE REQUIREMENTS

1. The Undersigned must disclose certain information about attorneys, lobbyists, accountants, consultants, subcontractors, and any other person whom the Undersigned has retained or expects to retain in connection with the Matter. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.

"Lobbyist" means any person (i) who, for compensation or on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.

2. If the Undersigned is uncertain whether a disclosure is required under this Section, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. CERTIFICATION

Each and every attorney, lobbyist, accountant, consultant, subcontractor, or other person retained or anticipated to be retained directly by the Undersigned with respect to or in connection with the Matter is listed below [begin list here, add sheets as necessary]:

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Undersigned (attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated)
<u>Retained Quarles & Brady, CitiCorp Center, Suite 3700, 500 West Madison Street, Chicago, Illinois 60661</u>		<u>Attorney</u>	<u>\$270,000.00 (est.)</u>
<u>Retained Jasculca Terman & Associates, 730 North Franklin Street, Suite 510 Chicago, Illinois</u>		<u>Consultant</u>	<u>\$38,000.00 (est.)</u>

[] CHECK HERE IF NO SUCH INDIVIDUALS HAVE BEEN RETAINED BY THE UNDERSIGNED OR ARE ANTICIPATED TO BE RETAINED BY THE UNDERSIGNED.

SECTION FOUR: CERTIFICATIONS

1. CERTIFICATION OF COMPLIANCE

For purposes of the certifications in A, B, and C below, the term "affiliate" means any individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

A. The Undersigned is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Undersigned or its affiliates delinquent in paying any fine, fee, tax or other charge owed to the City. This includes all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. If there are any such delinquencies, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

B. The Undersigned and its affiliates have not, in the past five years, been found in violation of any City, state or federal environmental law or regulation. If there have been any such violations, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

C. If the Undersigned is the Applicant, the Undersigned and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

D. If the Undersigned is the Applicant, the Undersigned will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Section Four, 1, (A-C) above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Undersigned has reason to believe has not provided or cannot provide truthful certifications.

If the Undersigned is unable to make the certifications required in Section Four, paragraph I (C) and (D) above, provide an explanation:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

II. CHILD SUPPORT OBLIGATIONS - CERTIFICATION REGARDING COURT-ORDERED CHILD SUPPORT COMPLIANCE

For purposes of this part, "Substantial Owner" means any individual who, directly or indirectly, owns or holds a 10% or more interest in the Undersigned. *Note: This may include individuals disclosed in Section One (Disclosure of Ownership Interests), and individuals disclosed in an EDS filed by an entity holding an interest in the Applicant.*

If the Undersigned's response below is #1 or #2, then all of the Undersigned's Substantial Owners must remain in compliance with any such child support obligations until the Matter is completed. Failure of the Undersigned's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either #1 or #2 constitutes an event of default.

Check one:

- 1. No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County, Illinois or by another Illinois court of competent jurisdiction.
- 2. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
- 3. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations and (a) at least one such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; or (b) at least one such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).
- 4. There are no Substantial Owners.

III. FURTHER CERTIFICATIONS

A. The Undersigned and, if the Undersigned is a legal entity, its principals (officers, directors, partners, members, managers, executive director):

- 1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- 2. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

3. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (A)(2) of this section;
 4. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
 5. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, in any criminal or civil action instituted by the City or by the federal government, any state, or any other unit of local government.
- B. The certifications in subparts B and D concern:
- the Undersigned;
 - any party participating in the performance of the Matter ("an Applicable Party");
 - any "Affiliated Entity" (meaning an individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Applicable Parties, the term Affiliated Entity means an individual or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another individual or entity;
 - any responsible official of the Undersigned, any Applicable Party or any Affiliated Entity or any other official, agent or employee of the Undersigned, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Undersigned, any Applicable Party or any Affiliated Entity (collectively "Agents").

Neither the Undersigned, nor any Applicable Party, nor any Affiliated Entity of either the Undersigned or any Applicable Party nor any Agents have, during the five years before the date this EDS is signed, or, with respect to an Applicable Party, an Affiliated Entity, or an Affiliated Entity of an Applicable Party during the five years before the date of such Applicable Party's or Affiliated Entity's contract or engagement in connection with the Matter:

1. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 2. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 3. made an admission of such conduct described in (1) or (2) above that is a matter of record, but have not been prosecuted for such conduct; or
 4. violated the provisions of Section 2-92-610 of the Municipal Code (Living Wage Ordinance).
- C. The Undersigned understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2 -156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).
- D. Neither the Undersigned, Affiliated Entity or Applicable Party, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
- E. If the Undersigned is unable to certify to any of the above statements in this Part I 11, the Undersigned must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

IV. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part IV, under Section 2-32-455(b) of the Municipal Code, the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. [Additional definitions may be found in Section 2-32-455(b) of the Municipal Code.]

A. CERTIFICATION

The Undersigned certifies that the Undersigned [check one]

_____ is
 X is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

B. If the Undersigned IS a financial institution, then the Undersigned pledges:

"We are not and will not become a predatory lender as defined in Chapter 2 -32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of, doing business with the City."

If the Undersigned is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2 -32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

V. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part V.

- 1. In accordance with Section 2-156-110 of the Municipal Code:
Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person in the Matter?
 Yes No

NOTE: If you answered "No" to Item V(1), you are not required to answer Items V(2) or (3) below. Instead, review the certification in Item V(4) and then proceed to Part VI. If you answered "Yes" to Item V(1), you must first respond to Item V(2) and provide the information requested in Item V(3). After responding to those items, review the certification in Item V(4) and proceed to Part V11.

- 2. Unless sold pursuant to a process of competitive bidding, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part V.

Does the Matter involve a City Property Sale?

- Yes No

- 3. If you answered "yes" to Item V(1), provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Undersigned further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

VI. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Undersigned must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

Please check either (1) or (2) below. If the Undersigned checks (2), the Undersigned must disclose below or in an attachment to this EDS all requisite information as set forth in that paragraph (2).

 X 1. The Undersigned verifies that (a) the Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Undersigned has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

 2. The Undersigned verifies that, as a result of conducting the search in step (1)(a) above, the Undersigned has found records relating to investments or profits from slavery, the slave industry, or slaveholder insurance policies and/or the names of any slaves or slaveholders. The Undersigned verifies that the following constitutes full disclosure of all such records:

SECTION FIVE: CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

1. CERTIFICATION REGARDING LOBBYING

A. List below the names of all individuals registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Undersigned with respect to the Matter: [Begin list here, add sheets as necessary]:

None

[If no explanation appears or begins on the lines above, or if the letters "NA " or if the word "None" appear, it will be conclusively presumed that the Undersigned means that NO individuals registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Undersigned with respect to the Matter.]

B. The Undersigned has not spent and will not expend any federally appropriated funds to pay any individual listed in Paragraph (A) above for his or her lobbying activities or to pay any individual to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

C. The Undersigned will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs I(A) and I(B) above.

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any individual for influencing or attempting to influence an officer or employee of any agency (as defined by applicable federal law), a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the Matter, the Undersigned must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sfillin.pd> linked on the page http://www.whitehouse.gov/omb/grants/grants_forms.html.

D. The Undersigned certifies that either (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

E. If the Undersigned is the Applicant, the Undersigned must obtain certifications equal in form and substance to paragraphs I(A) through I(D) above from all subcontractors before it awards any subcontract and the Undersigned must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

II. CERTIFICATION REGARDING NONSEGREGATED FACILITIES

A. If the Undersigned is the Applicant, the Undersigned does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained.

"Segregated facilities," as used in this provision, means any waiting rooms, work areas, restrooms, washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of habit, local or employee custom, or otherwise.

However, separated or single-user restrooms and necessary dressing or sleeping areas must be provided to assure privacy between the sexes.

B. If the Undersigned is the Applicant and the Matter is federally funded, the Undersigned will, before the award of subcontracts (if any), obtain identical certifications from proposed subcontractors under which the subcontractor will be subject to the Equal Opportunity Clause. Contracts and subcontracts exceeding \$10,000, or having an aggregate value exceeding \$10,000 in any 12-month period, are generally subject to the Equal Opportunity Clause. See 41 CFR Part 60 for further information regarding the Equal Opportunity Clause. The Undersigned must retain the certifications required by this paragraph (B) for the duration of the contract (if any) and must make such certifications promptly available to the City upon request.

C. If the Undersigned is the Applicant and the Matter is federally funded, the Applicant will forward the notice set forth below to proposed subcontractors:

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

Subcontractors must submit to the Contractor a Certification of Nonsegregated Facilities before the award of any subcontract under which the subcontractor will be subject to the federal Equal Opportunity Clause. The subcontractor may submit such certifications either for each subcontract or for all subcontracts during a period (e.g., quarterly, semiannually, or annually).

III. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

Federal regulations require prospective contractors for federally funded Matters (e.g., the Applicant) and proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations. **(NOTE: This Part III is to be completed only if the Undersigned is the Applicant.)**

- A. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
 Yes No N/A
- B. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
 Yes No N/A
- C. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
 Yes No N/A

SECTION SIX: NOTICE AND ACKNOWLEDGMENT REGARDING CITY GOVERNMENTAL ETHICS AND CAMPAIGN FINANCE ORDINANCES

The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on individuals or entities seeking City contracts, work, business, or transactions. The Board of Ethics has developed an ethics training program for such individuals and entities. The full text of these ordinances and the training program is available on line at www.cityofchicago.org/Ethics/, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The following is descriptive only and does not purport to cover every aspect of Chapters 2-156 and 2-164 of the Municipal Code. The Undersigned must comply fully with the applicable ordinances.

[X] BY CHECKING THIS BOX THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED UNDERSTANDS THAT THE CITY'S GOVERNMENTAL ETHICS AND CAMPAIGN FINANCING ORDINANCES, AMONG OTHER THINGS:

- 1) Provide that any contract negotiated, entered into or performed in violation of the City's ethics laws can be voided by the City.
- 2) Limit the gifts and favors any individual or entity can give, or offer to give, to any City official, employee, contractor or candidate for elected City office or the spouse or minor child of any of them, including:
 - a. any cash gift or any anonymous gift; and
 - b. any gift based on a mutual understanding that the City official's or employee's or City contractor's actions or decisions will be influenced in any way by the gift.
- 3) Prohibit any City elected official or City employee from having a financial interest, directly or indirectly, in any contract, work, transaction or business of the City, if that interest has a cost or present value of \$5,000 or more, or if that interest entitles the owner to receive more than \$2,500 per year.
- 4) Prohibit any appointed City official from engaging in any contract, work, transaction or business of the City, unless the matter is wholly unrelated to the appointed official's duties or responsibilities.
- 5) Provide that City employees and officials, or their spouses or minor children, cannot receive compensation or anything of value in return for advice or assistance on matters concerning the operation or business of the City, unless their services are wholly unrelated to their City duties and responsibilities.
- 6) Provide that former City employees and officials cannot, for a period of one year after their City employment ceases, assist or represent another on any matter involving the City if, while with the City, they were personally and substantially involved in the same matter.

- 7) Provide that former City employees and officials cannot ever assist or represent another on a City contract if, while with the City, they were personally involved in or directly supervised the formulation, negotiation or execution of that contract.

SECTION SEVEN: CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Undersigned understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Undersigned understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded, void or voidable), at law, or in equity, including terminating the Undersigned's participation in the Matter and/or declining to allow the Undersigned to participate in other transactions with the City.

C. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

D. The Undersigned has not withheld or reserved any disclosures as to economic interests in the Undersigned, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

E. The information provided in this EDS must be kept current. In the event of changes, the Undersigned must supplement this EDS up to the time the City takes action on the Matter.

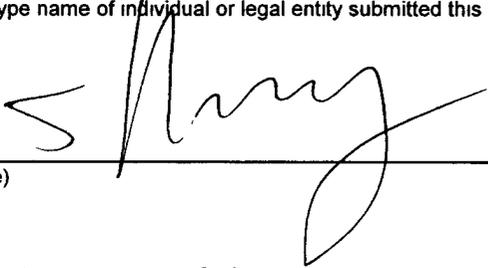
CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Undersigned, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

United Parcel Service of America, Inc.
(Print or type name of individual or legal entity submitted this EDS)

Date: July 8, 2004

By:


(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] July 8, 2004, at Fulton County, Georgia.

Jean H. Rolan Notary Public

Commission expires: Notary Public, Fulton County, Georgia
~~My Commission Expires~~ Mar. 5, 2008.

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

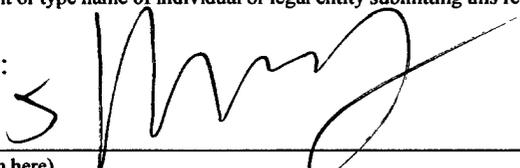
Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgements.

United Parcel Service of America, Inc., a Delaware corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: October 8, 2004

By:



(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] 10-8-04, at Fulton County, Georgia [state].



Notary Public

Commission expires: _____

**ROSIE THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires March 17, 2006**

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

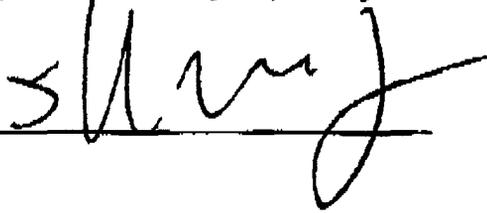
Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgements.

United Parcel Service of America, Inc., a Delaware corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: August 30, 2004

By:



(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] August 30, 2004, at Fulton County, Georgia [state].

Rose Thomas Notary Public

Commission expires:

**ROSE THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires March 17, 2008**

QBCHN383686.5

Publicly Traded
Ultimate Parent Entity
UNITED PARCEL SERVICE - N.C. &
DELAWARE CORPORATION
July 8, 2004
FOR CITY USE
AFFIDAVIT NO. _____

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT**

The City of Chicago (the "City") requires disclosure of the information requested in this Economic Disclosure Statement and Affidavit ("EDS") before any City agency, department or City Council action regarding the matter that is the subject of this EDS. Please fully complete each statement, with all information current as of the date this EDS is signed. If a question is not applicable, answer with "N.A." **An incomplete EDS will be returned and any City action will be interrupted.**

Please **print or type** all responses clearly and legibly. Add additional pages if needed, being careful to identify the portion of the EDS to which each additional page refers.

WHO MUST SUBMIT AN EDS:

1. **Applicants:** Any individual or entity (the "Applicant") making an application to the City for action requiring City Council or other City agency approval must file this EDS.
2. **Entities holding an interest in the Applicants:** Generally, whenever an ownership interest in the Applicant (for example, shares of stock of the Applicant or a limited partnership interest in the Applicant) is held or owned by a legal entity (for example, a corporation or partnership, rather than an individual) each such legal entity must also file an EDS on its own behalf, and any parent of that legal entity must do so until individual owners are disclosed. **However**, if an entity filing an EDS is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only those shareholders that own 10% or more of that filing entity's stock must file EDSs on their own behalf.

ACKNOWLEDGMENT OF POSSIBLE CREDIT AND OTHER CHECKS: By completing and filing this EDS, the Undersigned acknowledges and agrees, on behalf of itself and the entities or individuals named in this EDS, that the City may investigate the creditworthiness of some or all of the entities or individuals named in this EDS.

CERTIFYING THIS EDS: Execute the certification on the date of the initial submission of this EDS. You may be asked to re-certify this EDS on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction.

PUBLIC DISCLOSURE: It is the City's policy to make this document available to the public on its Internet site and/or upon request.

GENERAL INFORMATION

Date this EDS is completed: July 8, 2004

A. **Who is submitting this EDS?** That individual or entity will be the "Undersigned" throughout this EDS. United Parcel Service, Inc.,
a Delaware corporation

NOTE: The Undersigned is the individual or entity submitting this EDS, whether the Undersigned is an Applicant or is an entity holding an interest in the Applicant. This EDS requires certain disclosures and certifications from Applicants that are not required from entities holding an interest in the Applicant. When completing this EDS, please observe whether the section you are completing applies only to Applicants.

Check here if the Undersigned is filing this EDS as an Applicant.

Check here if the Undersigned is filing as an entity holding an interest in an Applicant.

Also, please identify the Applicant in which this entity holds an interest:
Undersigned owns a 100% interest in United Parcel Service of America, Inc.,
which owns a 100% interest in UPS Worldwide Forwarding, Inc., which owns
a 100% interest in Applicant, United Parcel Service, Inc., an Ohio corporation

B. Business address of the Undersigned: 55 Glenlake Parkway, NE
Atlanta, GA 30328

C. Telephone: 404-828-6438 Fax: 404-828-7024 Email: tkremeier@ups.com

D. Name of contact person: Terry Kremeier

E. Tax identification number (optional): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location if applicable):

Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area.

G. Is the Matter a procurement? Yes No

H. If a procurement, Specification # _____ and Contract # _____

I. If not a procurement:

1. City Agency requesting EDS: Department of Planning and Development

2. City action requested (e.g. loan, grant, sale of property):
TIF Assistance

3. If property involved, list property location:
See Attachment "A"

SECTION ONE: DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF ENTITY

1. Indicate whether the Undersigned is an individual or legal entity:

Individual Limited Liability Company
 Business corporation Joint venture
 Sole proprietorship Not-for-profit corporation
(Is the not-for-profit corporation also a
501(c)(3))?

General partnership Yes No
 Limited partnership Other entity (please specify)

2. State of incorporation or organization, if applicable: Delaware

3. For legal entities not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

Yes No N/A

ATTACHMENT A
SUBJECT PROPERTY

The subject property is located in an area generally bounded by West 14th Street on the north, South Jefferson Street and South Canal Street on the east, the Metra railroad tracks on the south, and South Union Street on the west in Chicago, Illinois and particularly located within the following boundaries:

A line 199.93 feet south of West Roosevelt Road; South Jefferson Street; West 15th Street; a line 200.33 feet east of South Jefferson Street; a line 100.88 feet south of West 14th Place; a line 350.82 feet east of South Jefferson Street; West 14th Place; South Clinton Street; West 14th Street; South Canal Street; West 14th Place; a line 343.23 feet west of South Canal Street; a line 286.90 feet south of West 14th Place; the alley next west of and parallel to South Canal Street; a line 331.35 feet south of West 14th Place; South Canal Street; a line 445.64 feet south of West 14th Place; a line from a point 445.64 feet south of West 14th Place and 249.05 feet west of South Canal Street; to a point, 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street, to be connected by a convex arc having a radius of 535 feet; a line from a point 505.14 feet south of West 14th Place and 117.4 feet west of South Canal Street; to a point, 537.74 feet south of West 14th Place and the westerly right-of-way line of South Canal Street, to be connected by a convex arc having a radius of 535 feet; South Canal Street; a line 594.89 feet south of West 14th Place; South Union Street; West Liberty Street or the line thereof if extended where no street exists; and a line 450 feet west of and parallel to South Jefferson Street.

B. ORGANIZATION INFORMATION

1. IF THE UNDERSIGNED IS A CORPORATION:

a. List below the names and titles of all executive officers and all directors of the corporation. For not-for-profit corporations, also list below any executive director of the corporation, and indicate all members, if any, who are legal entities. If there are no such members, write "no members."

Name	Title
See Attachment "B"	

b(1). If the Matter is a procurement and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 7.5% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

b(2). If the Matter is not a procurement, and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 10% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
None		

United Parcel Service, Inc.
List of Directors and Officers
Incorporated: Delaware
Date of Incorporation: 7/15/1999

<u>Name</u>	<u>All Titles</u>
Abney, David P.	SVP
Agresta, Maurice M	AS AT
Beystehner, John J.	COO SVP
Calvert, Elizabeth W	AS
Capozzoli, Matthew J	AS
Darden, Calvin	D SVP
Davis, D Scott	AS CFO SVP T
Delbrook, Thomas W	AT
Eskew, Michael L	CEO DC
Firestone, Jeffrey D.	AS
Harper, Cathy A.	AS
Hill, Allen E.	AT S SVP
Kelly, James P	D
Kuehn, Kurt P.	SVP
Lacy, Kenneth W	CIO SVP
Livermore, Ann M	D
MacDougal, Gary E.	D
Mahoney, Christopher D.	SVP
McDevitt, John J.	SVP
Pelson, Victor A	D
Pica, Eugene A.	AS AT
Soupata, Lea N.	D SVP
Stoffel, Robert E.	SVP

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U.S. Customs Qualifying Officer

ATTACHMENT B
Valid as of 07/08/2004

Thompson, John W.	D
Tomé, Carol B	D
Tong, Winifer P	AS AT

Title Legend:

DC - Director (Chairman)
DVC - Director (Vice Chairman)
D - Director
M - Manager (LLC)
G - Governor (LLC)
CEO - Chief Executive Officer
P - President

COO - Chief Operating Officer
CIO - Chief Information Officer
CFO - Chief Financial Officer
CSO - Chief Strategy Officer
EVP - Executive Vice President
SVP - Senior Vice President
VP - Vice President
AVP - Assistant Vice President

T - Treasurer
S - Secretary
AT - Assistant Treasurer
AS - Assistant Secretary
C - Chair
TR - Trustee
FQO - FMC Qualifying Officer
UQO - U S Customs Qualifying Officer

C. For corporations that are not registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
N/A		

2. IF THE UNDERSIGNED IS A PARTNERSHIP OR JOINT VENTURE:
For general or limited partnerships or joint ventures: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
N/A		

3. IF THE UNDERSIGNED IS A LIMITED LIABILITY COMPANY:
a. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers," and indicate how the company is managed.

Name	Business Address	Percentage Interest
N/A		

b. List below the names and titles of all officers, if any. If there are no officers, write "no officers."

Name	Title
N/A	

4. IF THE UNDERSIGNED IS A LAND TRUST, BUSINESS TRUST, ESTATE OR OTHER SIMILAR ENTITY:

a. List below the name and business address of each individual or legal entity holding legal title to the property that is the subject of the trust.

Name	Business Address
N/A	

b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held.

Name	Business Address	Percentage Interest
N/A		

5. IF THE UNDERSIGNED IS ANY OTHER LEGAL ENTITY, first describe the entity, then provide the name, business address, and the percentage of interest of all individuals or legal entities having an ownership or other beneficial interest in the entity.

Describe the entity:
N/A

Name Business Address Percentage Interest

SECTION TWO: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

A. DEFINITIONS AND DISCLOSURE REQUIREMENT

1. The Undersigned must indicate whether it had a "business relationship" with a City elected official in the 12 months before the date this EDS is signed.

2. Pursuant to Chapter 2 -156 of the Municipal Code of Chicago (the "Municipal Code"), a "**business relationship**" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest," with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; but a "financial interest" does not include: (i) any ownership through purchase at fair market value or inheritance of less than 1% of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended, (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" does not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. CERTIFICATION

1. Has the Undersigned had a "business relationship" with any City elected official in the 12 months before the date this EDS is signed?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION THREE: DISCLOSURE OF RETAINED PARTIES

A. DEFINITIONS AND DISCLOSURE REQUIREMENTS

1. The Undersigned must disclose certain information about attorneys, lobbyists, accountants, consultants, subcontractors, and any other person whom the Undersigned has retained or expects to retain in connection with the Matter. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.

"Lobbyist" means any person (i) who, for compensation or on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.

2. If the Undersigned is uncertain whether a disclosure is required under this Section, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. CERTIFICATION

Each and every attorney, lobbyist, accountant, consultant, subcontractor, or other person retained or anticipated to be retained directly by the Undersigned with respect to or in connection with the Matter is listed below [begin list here, add sheets as necessary]:

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Undersigned (attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated)
<u>Retained Quarles & Brady, CitiCorp Center, Suite 3700, 500 West Madison Street, Chicago, Illinois 60661</u>		<u>Attorney</u>	<u>\$270,000.00 (est.)</u>
<u>Retained Jasculca Terman & Associates, 730 North Franklin Street, Suite 510 Chicago, Illinois</u>		<u>Consultant</u>	<u>\$38,000.00 (est.)</u>

[] CHECK HERE IF NO SUCH INDIVIDUALS HAVE BEEN RETAINED BY THE UNDERSIGNED OR ARE ANTICIPATED TO BE RETAINED BY THE UNDERSIGNED.

SECTION FOUR: CERTIFICATIONS

1. CERTIFICATION OF COMPLIANCE

For purposes of the certifications in A, B, and C below, the term "affiliate" means any individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

A. The Undersigned is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Undersigned or its affiliates delinquent in paying any fine, fee, tax or other charge owed to the City. This includes all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. If there are any such delinquencies, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

B. The Undersigned and its affiliates have not, in the past five years, been found in violation of any City, state or federal environmental law or regulation. If there have been any such violations, note them below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

C. If the Undersigned is the Applicant, the Undersigned and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

D. If the Undersigned is the Applicant, the Undersigned will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Section Four, 1, (A-C) above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Undersigned has reason to believe has not provided or cannot provide truthful certifications.

If the Undersigned is unable to make the certifications required in Section Four, paragraph I (C) and (D) above, provide an explanation:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

II. CHILD SUPPORT OBLIGATIONS - CERTIFICATION REGARDING COURT-ORDERED CHILD SUPPORT COMPLIANCE

For purposes of this part, "Substantial Owner" means any individual who, directly or indirectly, owns or holds a 10% or more interest in the Undersigned. *Note: This may include individuals disclosed in Section One (Disclosure of Ownership Interests), and individuals disclosed in an EDS filed by an entity holding an interest in the Applicant.*

If the Undersigned's response below is #1 or #2, then all of the Undersigned's Substantial Owners must remain in compliance with any such child support obligations until the Matter is completed. Failure of the Undersigned's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either #1 or #2 constitutes an event of default.

Check one:

- 1. No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County, Illinois or by another Illinois court of competent jurisdiction.
- 2. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
- 3. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations and (a) at least one such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; or (b) at least one such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).
- 4. There are no Substantial Owners.

III. FURTHER CERTIFICATIONS

A. The Undersigned and, if the Undersigned is a legal entity, its principals (officers, directors, partners, members, managers, executive director):

- 1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- 2. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

3. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (A)(2) of this section;
4. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
5. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, in any criminal or civil action instituted by the City or by the federal government, any state, or any other unit of local government.

B. The certifications in subparts B and D concern:

- the Undersigned;
- any party participating in the performance of the Matter ("an Applicable Party");
- any "Affiliated Entity" (meaning an individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Applicable Parties, the term Affiliated Entity means an individual or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another individual or entity;
- any responsible official of the Undersigned, any Applicable Party or any Affiliated Entity or any other official, agent or employee of the Undersigned, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Undersigned, any Applicable Party or any Affiliated Entity (collectively "Agents").

Neither the Undersigned, nor any Applicable Party, nor any Affiliated Entity of either the Undersigned or any Applicable Party nor any Agents have, during the five years before the date this EDS is signed, or, with respect to an Applicable Party, an Affiliated Entity, or an Affiliated Entity of an Applicable Party during the five years before the date of such Applicable Party's or Affiliated Entity's contract or engagement in connection with the Matter:

1. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 2. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 3. made an admission of such conduct described in (1) or (2) above that is a matter of record, but have not been prosecuted for such conduct; or
 4. violated the provisions of Section 2-92-610 of the Municipal Code (Living Wage Ordinance).
- C. The Undersigned understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2 -156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).
- D. Neither the Undersigned, Affiliated Entity or Applicable Party, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
- E. If the Undersigned is unable to certify to any of the above statements in this Part I 11, the Undersigned must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

IV. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part IV, under Section 2-32-455(b) of the Municipal Code, the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. [Additional definitions may be found in Section 2-32-455(b) of the Municipal Code.]

A. CERTIFICATION

The Undersigned certifies that the Undersigned [check one]

 is
 X is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

B. If the Undersigned IS a financial institution, then the Undersigned pledges:

"We are not and will not become a predatory lender as defined in Chapter 2 -32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of, doing business with the City."

If the Undersigned is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2 -32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Undersigned certified to the above statements.

V. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part V.

- 1. In accordance with Section 2-156-110 of the Municipal Code:
Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person in the Matter?

Yes No

NOTE: If you answered "No" to Item V(1), you are not required to answer Items V(2) or (3) below. Instead, review the certification in Item V(4) and then proceed to Part VI. If you answered "Yes" to Item V(1), you must first respond to Item V(2) and provide the information requested in Item V(3). After responding to those items, review the certification in Item V(4) and proceed to Part V11.

- 2. Unless sold pursuant to a process of competitive bidding, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part V.

Does the Matter involve a City Property Sale?

Yes No

- 3. If you answered "yes" to Item V(1), provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Undersigned further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

VI. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Undersigned must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

Please check either (1) or (2) below. If the Undersigned checks (2), the Undersigned must disclose below or in an attachment to this EDS all requisite information as set forth in that paragraph (2).

 X 1. The Undersigned verifies that (a) the Undersigned has searched any and all records of the Undersigned and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Undersigned has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

 2. The Undersigned verifies that, as a result of conducting the search in step (1)(a) above, the Undersigned has found records relating to investments or profits from slavery, the slave industry, or slaveholder insurance policies and/or the names of any slaves or slaveholders. The Undersigned verifies that the following constitutes full disclosure of all such records:

SECTION FIVE: CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

1. CERTIFICATION REGARDING LOBBYING

A. List below the names of all individuals registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Undersigned with respect to the Matter: [Begin list here, add sheets as necessary]:

None

[If no explanation appears or begins on the lines above, or if the letters "NA " or if the word "None" appear, it will be conclusively presumed that the Undersigned means that NO individuals registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Undersigned with respect to the Matter.]

B. The Undersigned has not spent and will not expend any federally appropriated funds to pay any individual listed in Paragraph (A) above for his or her lobbying activities or to pay any individual to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

C. The Undersigned will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs I(A) and I(B) above.

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any individual for influencing or attempting to influence an officer or employee of any agency (as defined by applicable federal law), a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the Matter, the Undersigned must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sfillin.pd> linked on the page http://www.whitehouse.gov/omb/grants/grants_forms.html.

D. The Undersigned certifies that either (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

E. If the Undersigned is the Applicant, the Undersigned must obtain certifications equal in form and substance to paragraphs I(A) through I(D) above from all subcontractors before it awards any subcontract and the Undersigned must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

II. CERTIFICATION REGARDING NONSEGREGATED FACILITIES

A. If the Undersigned is the Applicant, the Undersigned does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained.

"Segregated facilities," as used in this provision, means any waiting rooms, work areas, restrooms, washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of habit, local or employee custom, or otherwise.

However, separated or single-user restrooms and necessary dressing or sleeping areas must be provided to assure privacy between the sexes.

B. If the Undersigned is the Applicant and the Matter is federally funded, the Undersigned will, before the award of subcontracts (if any), obtain identical certifications from proposed subcontractors under which the subcontractor will be subject to the Equal Opportunity Clause. Contracts and subcontracts exceeding \$10,000, or having an aggregate value exceeding \$10,000 in any 12-month period, are generally subject to the Equal Opportunity Clause. See 41 CFR Part 60 for further information regarding the Equal Opportunity Clause. The Undersigned must retain the certifications required by this paragraph (B) for the duration of the contract (if any) and must make such certifications promptly available to the City upon request.

C. If the Undersigned is the Applicant and the Matter is federally funded, the Applicant will forward the notice set forth below to proposed subcontractors:

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

Subcontractors must submit to the Contractor a Certification of Nonsegregated Facilities before the award of any subcontract under which the subcontractor will be subject to the federal Equal Opportunity Clause. The subcontractor may submit such certifications either for each subcontract or for all subcontracts during a period (e.g., quarterly, semiannually, or annually).

III. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

Federal regulations require prospective contractors for federally funded Matters (e.g., the Applicant) and proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations. **(NOTE: This Part III is to be completed only if the Undersigned is the Applicant.)**

- A. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
 Yes No N/A
- B. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
 Yes No N/A
- C. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
 Yes No N/A

SECTION SIX: NOTICE AND ACKNOWLEDGMENT REGARDING CITY GOVERNMENTAL ETHICS AND CAMPAIGN FINANCE ORDINANCES

The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on individuals or entities seeking City contracts, work, business, or transactions. The Board of Ethics has developed an ethics training program for such individuals and entities. The full text of these ordinances and the training program is available on line at www.cityofchicago.org/Ethics/, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The following is descriptive only and does not purport to cover every aspect of Chapters 2-156 and 2-164 of the Municipal Code. The Undersigned must comply fully with the applicable ordinances.

[X] BY CHECKING THIS BOX THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED UNDERSTANDS THAT THE CITY'S GOVERNMENTAL ETHICS AND CAMPAIGN FINANCING ORDINANCES, AMONG OTHER THINGS:

- 1) Provide that any contract negotiated, entered into or performed in violation of the City's ethics laws can be voided by the City.
- 2) Limit the gifts and favors any individual or entity can give, or offer to give, to any City official, employee, contractor or candidate for elected City office or the spouse or minor child of any of them, including:
 - a. any cash gift or any anonymous gift; and
 - b. any gift based on a mutual understanding that the City official's or employee's or City contractor's actions or decisions will be influenced in any way by the gift.
- 3) Prohibit any City elected official or City employee from having a financial interest, directly or indirectly, in any contract, work, transaction or business of the City, if that interest has a cost or present value of \$5,000 or more, or if that interest entitles the owner to receive more than \$2,500 per year.
- 4) Prohibit any appointed City official from engaging in any contract, work, transaction or business of the City, unless the matter is wholly unrelated to the appointed official's duties or responsibilities.
- 5) Provide that City employees and officials, or their spouses or minor children, cannot receive compensation or anything of value in return for advice or assistance on matters concerning the operation or business of the City, unless their services are wholly unrelated to their City duties and responsibilities.
- 6) Provide that former City employees and officials cannot, for a period of one year after their City employment ceases, assist or represent another on any matter involving the City if, while with the City, they were personally and substantially involved in the same matter.

- 7) Provide that former City employees and officials cannot ever assist or represent another on a City contract if, while with the City, they were personally involved in or directly supervised the formulation, negotiation or execution of that contract.

SECTION SEVEN: CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Undersigned understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Undersigned understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded, void or voidable), at law, or in equity, including terminating the Undersigned's participation in the Matter and/or declining to allow the Undersigned to participate in other transactions with the City.

C. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

D. The Undersigned has not withheld or reserved any disclosures as to economic interests in the Undersigned, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

E. The information provided in this EDS must be kept current. In the event of changes, the Undersigned must supplement this EDS up to the time the City takes action on the Matter.

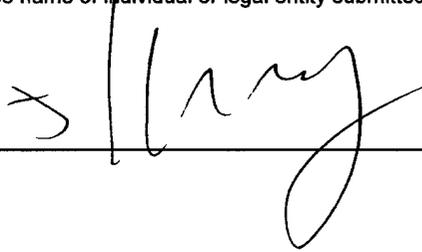
CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Undersigned, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

United Parcel Service, Inc., a Delaware corporation
(Print or type name of individual or legal entity submitted this EDS)

Date: July 8, 2004

By:



(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] July 8, 2004, at Fulton County, Georgia.

Jean H. Rolen Notary Public

Commission expires: Notary Public, Fulton County, Georgia
~~My Commission Expires Mar. 6, 2006.~~

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

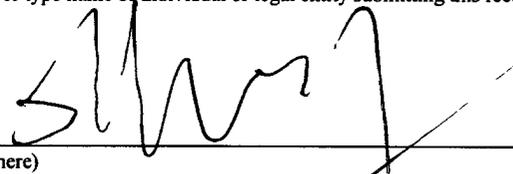
Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with Redevelopment of property within the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgements.

United Parcel Service, Inc., a Delaware corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: October 8, 2004

By:


(sign here)

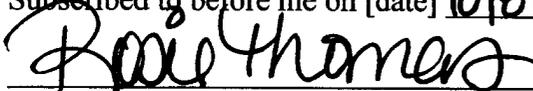
Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on [date] 10/8/04, at Fulton County, Georgia [state].

 Notary Public

Commission expires: _____
ROSIE THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires March 17, 2006

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information.)

RECERTIFICATION

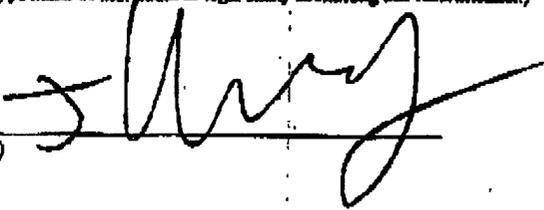
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United Parcel Service, Inc., a Delaware corporation
(Print or type name of individual or legal entity submitting this recertification)

Date: August 30, 2004

By:



(sign here)

Print or type name of signatory:

Jeffrey D. Firestone

Title of signatory:

Assistant Secretary

Subscribed to before me on August 30, 2004 at Fulton County, Georgia [state].

Robert Thomas Notary Public

Commission expires:

**ROBERT THOMAS
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires March 17, 2008**

QBCHT323686.2